CONDOMINIUM OFFERING PLAN FOR THE SALE OF 95 RESIDENTIAL UNITS IN A CONDOMINIUM TO BE KNOWN AS 100 BOARDWALK CONDOMINIUM AND MANDATORY MEMBERSHIP IN THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC. LOCATED IN AN OVERALL COMMUNITY TO BE KNOWN AS THE BOARDWALK LONG BEACH

THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION IS ANTICIPATED TO INCLUDE A TOTAL OF 192 RESIDENTIAL UNITS AND 2 NON-RESIDENTIAL UNITS IN TWO (2) PHASES AS FOLLOWS:

Phase I (140 Boardwalk Condominium)	97 Residential Units 2 Non-Residential Units
Phase II (100 Boardwalk Condominium)	95 Residential Units
Total Number of Residential Units in both Phases	192 Residential Units

Location:
100 Boardwalk, City of Long Beach, County of Nassau, State of New York 11561

TOTAL OFFERING

95 Residential Units	**$139,285,000**
9 Cabanas subject to License Agreement	**$ 0***
424 Parking Spaces subject to License Agreement	**$ 0***
	$139,285,000

*The Boardwalk Long Beach Homeowners Association, Inc. includes a total of 9 Cabanas and 424 Parking Spaces subject to License Agreements. Cabana and Parking Space Licenses are available to Residential Unit Owners and Unit Owners, respectively, in both 100 Boardwalk Condominium and 140 Boardwalk Condominium. License Prices are disclosed in Schedules A-1 and A-2 of this Offering Plan, and are included in the total offering of the adjacent 140 Boardwalk Condominium Offering Plan.

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SELLING AGENT
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THE DATE OF ACCEPTANCE FOR FILING OF THE OFFERING PLAN IS , 2023. THE OFFERING PLAN MAY NOT BE USED AFTER , 2024 UNLESS AMENDED.

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

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

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

THIS OFFERING PLAN CONTAINS THE TERMS OF THE OFFER OF SALE AND THE OBLIGATIONS OF THE SPONSOR.

PLEASE READ IT CAREFULLY.

THE PROPERTY YOU ARE PURCHASING IS PART OF A PRIVATE SELF-GOVERNING SUBDIVISION WHICH MAY BE CONTROLLED BY THE SPONSOR UNTIL THE LAST RESIDENTIAL UNIT IS CONVEYED.

YOUR OBLIGATIONS AS A RESIDENTIAL UNIT OWNER ARE INCLUDED IN THIS PLAN.

THIS PLAN IS PREPARED AND ISSUED BY THE SPONSOR OF THIS SUBDIVISION. IT HAS BEEN FILED WITH THE ATTORNEY GENERAL OF THE STATE OF NEW YORK, DEPARTMENT OF LAW, REAL ESTATE FINANCING BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NY 10005.

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SPECIAL RISKS

1. Sponsor will endeavor in good faith to sell the Residential Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (15% x 95 = 15 Residential Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. Purchasers should further note that there is no provision in the By-Laws that requires that a majority of the Managers of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Community should be managed as a result of their different reasons for purchasing, *i.e.,* purchasing as a Residential Units to live in as opposed to purchasing as an investment. See Section XXIII.

2. Pursuant to existing regulation, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Residential Units being offered for sale. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to close Residential Units with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Residential Unit. In the event no Purchasers close after the Plan has been declared effective the Sponsor may have to re-declare the Plan effective.

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 Residential 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 Residential 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 may also be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

As of the date of the Offering Plan the Sponsor has obtained loans that will enable the Sponsor to construct the Building. The loans are held by Acore Capital Mortgage, LP, with offices located at 80 E. Sir Francis Drake Blvd., Suite 2A, Larkspur, CA 94939, as Administrative Agent for the lenders (“Lender”) and permit the Sponsor to market the Residential Units for sale subject to a release price at each closing. The loans do not provide for any minimum number of percentage of Residential Units that must be under

contract before the Offering Plan can be declared effective. The loans do not have any limitations or requirements that have been imposed by the Lender that require when the Sponsor may rent rather than sell under specified market conditions, except that the Sponsor cannot enter into any leases without the prior written consent of the Lender. The Sponsor is obligated to pay off and otherwise comply with the terms of the loans on the entire Condominium and is required to release each Unit from the loans at the time of Closing. See Sections I and XXII.

Even after Residential Units are closed, Lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See. Section XIX.

3. As further disclosed in Special Risk No. 4 below, upon the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium, the Community will consist of 100 Boardwalk Condominium, 140 Boardwalk Condominium (consisting of ninety-seven (97) Residential Units and two (2) Non-Residential Units), and The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"). The Sponsor is not initially offering the two (2) Non-Residential Units in 140 Boardwalk Condominium for sale.

Each Phase will consist of the following:

Phase I	97 Residential Units and 2 Non-Residential Units in 140 Boardwalk Condominium
Phase II	95 Residential Units in a separate Condominium known as 100 Boardwalk Condominium

Total Both Phases – 192 Residential Units and 2 Non-Residential Units

Phase II, which is the subject of this Offering Plan, will be located on the property adjacent to Phase I and will be connected to 140 Boardwalk Condominium via the structure containing certain of the Amenity Rooms that are to be owned and maintained by the Homeowners Association, as further discussed in Special Risk 4.

The Residential Units in both Phases of the Development will become Members of The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"). The Non-Residential Units will not become Members of the Association. 140 Boardwalk Condominium and 100 Boardwalk Condominium will also be part of an overall development to be known as The Boardwalk Long Beach, which overall development will consist of said Condominiums as well as an adjacent multi-family rental property consisting of 238 rental apartments and to be owned and operated by an affiliated entity of the Sponsor, which multi-family rental property will be known as The Breeze.

Sponsor anticipates closing the first Residential Unit in Phase II on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God, and anticipated rate of sales.

There will be a total of no greater than one hundred and ninety-two (192) Residential Units in the overall Community.

4. The Residential Unit Owners in both Phase I and Phase II (i.e., 100 Boardwalk Condominium and 140 Boardwalk Condominium) will be required to be mandatory Members of a Master Homeowners Association to be known as The Boardwalk Long Beach Homeowners Association, Inc. (the "Association") as well as Residential Unit Owners within the individual Condominium in each Phase. Non-Residential Unit Owners will not become Members of the Association and will be subject only to the provisions of the Declaration of Condominium, the Condominium By-Laws, and any Rules and Regulations of 140 Boardwalk Condominium. Non-Residential Units will be obligated to pay their pro-rata share of Condominium Common Charges but will not be obligated to pay any portion of the expenses of The Boardwalk Long Beach Homeowners Association.

The Association is a Corporation organized for the ownership and repair, maintenance, and replacement (as required) of the Common Areas of the Association, General Common Elements and General Residential Units' Limited Common Elements in the Condominium that is located within the Subsequent Phase and which is subject to the Association Declaration of Covenants and Restrictions.

A Supplemental Declaration of Covenants and Restrictions that will subject the Residential Units in 100 Boardwalk Condominium and a Deed for the Common Area located in Phase II will be recorded in the Nassau County Clerk's Office prior to the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium. A copy of the Declaration of Covenants and Restrictions, By-Laws, and Rules and Regulations of the Association, Supplemental Declaration of Covenants and Restrictions and Deed to the Association are contained in Part II of the Plan as Schedules J-2, J-3, J-4, and J-5 respectively.

The membership of the Association will include the one hundred and ninety-two (192) Residential Units in 100 Boardwalk Condominium and 140 Boardwalk Condominium. Prior to, or simultaneously with the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium, the Sponsor will record the Supplemental Declaration of Covenants and Restrictions, which will subject the ninety-five (95) Residential Units in 100 Boardwalk Condominium to the Declaration of Covenants and Restrictions, and each Residential Unit Owner in 100 Boardwalk Condominium will become a Class A Member of the Association. The Sponsor will be the Class B Member for the Unsold Residential Units in said Condominium.

At such time as all the Residential Units in both Phases are completed and occupied there will be a total of one hundred and ninety-four (194) Units, consisting of one hundred and ninety-two (192) Residential Units and two (2) Non-Residential Units, and a maximum of one hundred and ninety-two (192) Members in the Association (i.e., the Residential Unit Owners). The Condominium will include a common roof terrace (the "Roof Terrace"). In addition, the Development will include a two (2) level parking garage

("Garage") underneath both the Phase I and Phase II parcels, which Garage will be owned and maintained by The Boardwalk Long Beach Homeowners Association. The Condominium building will also include a gym, yoga studio, administration office, and saunas. The foregoing are all collectively referred to as the Amenity Rooms, which Amenity Rooms will be maintained by The Boardwalk Long Beach Homeowners Association, as more fully discussed in Section V of the Plan. The Building comprising Phase I, to be known as 140 Boardwalk Condominium, will include a card room, mail room, and dog wash, and such amenities are collectively referred to as the 140 Boardwalk Amenities Rooms. The Amenity Rooms located in 100 Boardwalk Condominium and the 140 Boardwalk Amenity Rooms will be available to residents of both Condominiums for their use. In addition, the overall Association property includes a building located between Tower A (the Building comprising Phase II to be known as 100 Boardwalk Condominium) and Tower B (the Building comprising Phase I to be known as 140 Boardwalk Condominium), which building connects the two Towers and includes a main lobby, lounge, and club room. Tower A, to be known as 100 Boardwalk Condominium, the subject of this Offering Plan, will contain ninety-five (95) Residential Units located in nine (9) stories and Tower B, known as 140 Boardwalk Condominium and subject to a separate Offering Plan, contains ninety-seven (97) Residential Units located in nine (9) stories. The Common Area of the Association will also include a swimming pool with lap lanes, sun shelf, conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Unit Owners, residentials tenants, and their guests that are part of the Common Area of the Homeowners Association. The foregoing are all collectively referred to as the Outdoor Amenities. The Community will also include a Sanitary Sewer Collection System as described in the Description of Property Report in Part II of the Offering Plan. The Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System (i.e., all of the amenities) are expected to be completed and operational by August 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. As a result, the anticipated date of completion of the Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System is subject to change. See Sections III and V.

5. The Homeowners Association and each Condominium will have their own Board of Directors/Managers that will be responsible for governing their respective community subject to their respective Declaration and By-Laws. The Sponsor will initially have the right to retain a majority of each Board as follows:

(a) Board of Managers of each Condominium. Sponsor is entitled to designate all the Managers of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to bona fide purchasers (the "Sponsor Condominium Control Period"). The First Annual Meeting of the Unit Owners will be held within three (3) years of the Closing of Title to the first Residential Unit in the Condominium or within thirty (30) days after the Closing of Title of the last Residential Unit in the

Condominium, whichever occurs first. See Section XXIII. At such time as the Sponsor no longer owns any Residential Unit in the Condominium, it will not be entitled to designate any Managers to the Board of Managers of the Condominium.

(b) Board of Directors of the Association. The initial Board of Directors (the "First Board of Directors"), consisting of three (3) Directors, shall be designated by the Sponsor. Sponsor is entitled to designate all of the Directors of the Board of Directors until all of the Residential Units in both Phases of the Community have been sold or transferred to bona fide purchasers (the "Sponsor Association Control Period"). During such time the Board of Directors shall consist of three (3) Sponsor designated Directors. Sponsor Directors shall be appointed for a one (1) year term. At the expiration of the Sponsor Director terms, if the Sponsor is still entitled to designate Directors, the Sponsor Directors shall thereafter continue to be appointed as Directors for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. The First Board of Directors will call for the First Association Annual Meeting of the Members to elect a Board of Directors within three (3) years of the Closing of Title to the first Residential Unit in the Association or within thirty (30) days after the Closing of Title of the last Residential Unit in the Association, whichever occurs first. See Section XXII. As a result of the Sponsor's right to retain control of the Association's Board of Directors until all of the Residential Units in both Phases have been sold and titled, Sponsor may retain permanent control over the Board of Directors and may never turn over control to the resident Residential Unit Owners of the Development. At such time as the Sponsor no longer owns any Residential Units in the overall Development it will not be entitled to designate any Directors to the Board of Directors. In the event Sponsor does not develop a specific Subsequent Phase, Sponsor will amend the Offering Plan to disclose said fact and Sponsor or its successor, designee or assignee will retain control of the Board of Directors of the Association until the Closing of Title to the last Residential Unit in both Phases of the Development (192 Residential Units).

The Sponsor will also have the right to retain control over certain expenditures and fiscal actions of each respective Board as follows:

(a) The Condominiums - The right to retain control over certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending not more than five (5) years after the Closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner. See Section XXIII of the Offering Plan. During this period, the Sponsor will have control of all maintenance and services provided by the Board of Managers and will determine the Common Charges to be paid by all Unit Owners, including the Sponsor's. In addition, the Sponsor will be responsible for the enforcement of Sponsor's obligations

to the Condominium. Sponsor will also have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, the hiring and termination of employees, the placing of easements on the property and the making of improvements to the Common Elements. Notwithstanding the above, the Board of Managers has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition, the Unit Owners may commence a lawsuit in the nature of a derivative action. However, at no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

(b) The Association - The right to retain control over certain expenditures and fiscal actions of the Board of Directors of the Association as long as the Sponsor retains control of the Board of Directors. During this period, the Sponsor will have control of all maintenance and services to be provided by the Board of Directors to the Association and will determine the Maintenance Charges to be paid by all Unit Owners, including the Sponsor's. The Sponsor will also be responsible for enforcing the Sponsor's obligations to the Association. During this period, Sponsor will have the right to control all decisions of the Association including but not limited to the determination of Association Common Expenses, management of the Association, the hiring and termination of employees of the Association, the placing of easements on the Property and making improvements to the Common Elements of each Condominium regime subject to the Declaration of Covenants and Restrictions, as amended. Notwithstanding the above, the Board of Directors has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Directors to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Directors. In addition, the Unit Owners may commence a lawsuit in the nature of a derivative action. However, at no time may Sponsor exercise veto power over expenses described in Schedule C or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) preserve the health and safety of the Association or for the health and safety of occupants of the Association or required to avoid the suspension of any necessary service to the Association. See Section V (the "Association") and Section X (the "Association Budget").

6. The Sponsor's obligation for its proportionate share of the expenses of the Association (*i.e.*, its "Maintenance Charges") as reflected in the projected budget for the

estimated first year of operation of the Association contained as Schedule C in Section XII of the Plan, on Unsold Residential Units subject to the Declaration of Covenants and Restrictions will be determined as follows:

(a) Sponsor's obligation for the Association Maintenance Charges on Unsold Residential Units subject to the Declaration of Covenants and Restrictions, as the Class B Member, will be limited to the difference between the actual operating costs of the Association, including reserves on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Maintenance Charges levied on the Residential Unit Owners who have Closed Title on their Residential Units as described in Section 3 (c) of Article X of the Declaration of Covenants and Restrictions. The Sponsor's obligation shall be referred to as the Sponsor's Residential Deficiency Contribution.

(b) The Maintenance Charges paid by the Residential Unit Owners who have Closed Title on their Residential Units are to be based upon the Association Common Expenses and Association budget in Schedule C of the Offering Plan applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General Common Elements and General Residential Units' Limited Common Elements, and Individual Residential Unit's Limited Common Elements the Association is required to repair and maintain, in all Condominiums subject to the Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions, completed or not, and any other Association Common Expenses required by the Association, applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Full Maintenance Charges").

(c) Sponsor will not be required to make a Deficiency Contribution in an amount greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Maximum Deficiency Contribution Obligation").

(d) After the Closing of Title of the first Residential Unit in a Condominium, each Residential Unit Owner in such Condominium shall pay Association Maintenance Charges based upon the Residential Unit's Association Common Interest ("Association Common Interest"). A Residential Unit's Association Common Interest is calculated based upon each Residential Unit's square footage as it relates to the total square footage of all Residential Units in the Condominium(s) then subject to the Declaration of Covenants and Restrictions. The Sponsor's obligation for the Association Maintenance Charges on Unsold Units, as the Class B Member, will be limited to the Deficiency Contribution, as described in items (a) through (c) above.

(e) In the event the Association Common Expenses exceed the amount contributed by the Residential Unit Owners who have Closed Title plus the Maximum Deficiency Contribution Obligation of the Sponsor for any fiscal year budget, the additional Maintenance Charges are to be pro-rated among the Residential Unit Owners who have Closed Title and the Unsold Residential Units still owned by the Sponsor based upon each Residential Unit's respective Association Common Interest.

(f) The amount of any required Deficiency Contribution on the part of the Sponsor shall not include uncollected Maintenance Charges from Residential Unit Owners who have Closed Title.

(g) Excess funds of the Association carried forth from prior fiscal years shall be applied first to the Sponsor's Deficiency Obligation.

(h) The sum due the Association from each individual Residential Unit Owner shall constitute a Maintenance Charge of the Association and unpaid Maintenance Charges shall constitute liens on the individual Units and the personal obligation of the Residential Unit Owner, subject to foreclosure as provided herein.

(i) In the event the monthly Maintenance Charges are not sufficient to cover the Association Common Expenses for any fiscal year budget, the Board of Directors will have the right to increase the Maintenance Charges or assess a Special Assessment. In such an event the increased Maintenance Charges shall be paid by the Residential Unit Owners for the balance of the budgetary year based upon their Association Common Interest and Sponsor's obligation shall be paid for the balance of the budgetary year based upon the Sponsor's Deficiency Obligation as provided in (a) above. In the event a Special Assessment is passed by the Board of Directors, the Special Assessment shall be paid by the Owner of each Residential Unit who has closed title to their Residential Unit in each Phase of The Properties in which Sponsor has commenced Closing of Title to Residential Units in such Phase, and which such Phase is therefore subject to the Declaration of Covenants and Restrictions, including the Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions, based on each Residential Unit's then Association Common Interest. This provision is subject to the rights of the Sponsor contained in Article VIII, Section 6(c) of the By-Laws of the Association.

(j) Sponsor will not be obligated to pay any Maintenance Charges on any Residential Units in the Subsequent Phase until such time as Sponsor has commenced the Closing of Title to Residential Units in the Subsequent Phase and the Subsequent Phase is then subject to the Declaration of Covenants and Restrictions.

In addition to Sponsor's obligations to the Association for Maintenance Charges described above, Sponsor is obligated to pay such Common Charges and Special Assessments as are assessed by the Board of Managers of the Condominium or by the Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium on Units, built or unbuilt, to which title has not passed by the Board of Managers upon the commencement of collection of the Condominium Common Charges. The Common Charges assessed on Units are reflected in the projected budget for the estimated first year of operation of the Condominium contained as Schedule B in Section X of the Plan and are further reflected in Schedule A.

The Common Expenses applicable to the Association will initially be charged to each Residential Unit Owner who has Closed Title to their Residential Unit based upon each Residential Unit's then Association Common Interest. Purchasers should refer to Schedule A regarding each Residential Unit's Association Common Interest. Purchasers should see above as to the Sponsor's Deficiency Obligation for Unsold Residential Units.

The amount a Residential Unit Owner is required to pay as its Maintenance Charge obligation is based on the estimated full budget contained in Schedule C of the Offering Plan. Schedule C assumes that all the Residential Units in each Phase will be occupied and that all the common improvements will be completed. As a result, Residential Unit Owners may be paying Maintenance Charges for improvements that may not yet be completed or services not yet operational. Surplus funds in the Association budget from prior years shall not be used to offset Sponsor's Deficiency Contribution obligation. See Section V.

7. Each Unit Owner will also be responsible to pay a separate Common Charge to 100 Boardwalk Condominium for Common Expenses of the Condominium based on the budget for the Condominium disclosed in Schedule B of the Offering Plan. See Section IX. Common Charges are those fees charged separately to the Unit Owners of each Condominium based upon the budget for each separate Condominium (see Schedules A and B). Maintenance Charges are those fees shared by the Residential Unit Owners in the overall Community (See Schedules A and C).

In order to provide uniformity of maintenance and services to all Residential Units and facilities within the overall Community, the Condominium By-Laws have designated the Association as manager to provide maintenance and repair services to the General Common Elements and General Residential Units' Limited Common Elements of the Condominium and any Individual Residential Unit's Limited Common Elements of the Condominium that are the responsibility of the Condominium and/or Association to maintain and repair. Such repairs and maintenance include but are not limited to roof and siding repairs and replacement of the Buildings located in the Condominiums, landscape maintenance of the Common Elements and snow removal of any walkways forming part of the Condominium which would otherwise be performed by the Board of Managers of the Condominium. As a result, all of the Common Expenses of the Community, except for what is specifically detailed in Schedule B, are Common Expenses of the Association and

not the Condominium. If the Association fails to provide such services, the Condominium will become responsible for such services. The cost of such Common Expenses is included in the Association budget set forth at Schedule C and are not an individual Condominium expense but a Common Expense of the Association. In view of the fact that each Common Interest in both the Condominium and Association are calculated analogously, there is no material adverse impact to the Residential Unit Owners as a result of the Association performing such maintenance functions. However, since such Common Expenses are the Association Common Expenses and in the Association budget, the Sponsor is only responsible for a deficiency payment, if any, after all surplus funds are depleted. If such expenses were Common Expenses of the Condominium, the Sponsor would be obligated to pay monthly Common Charges based on the Percentage of Common Interest attributable to unsold Units it owns rather than on a deficiency basis as set forth above. This is not a violation of the Condominium Act because the Condominium has, pursuant to the authorization in Real Property Law Section 339(v)1(a), designated the Association to provide the maintenance obligations which are normally provided by the Condominium and make them Common Expenses of the Association and deficiency payments by Sponsor are permissible in Associations. See Article I, Section 4 of the Condominium By-Laws for the details concerning the appointment of the Association Board of Directors as manager of the Condominium. See Section V.

As a result of the Sponsor's right to rent Unsold Residential Units after the Offering Plan is consummated and Sponsor's right to retain control of a majority of the Board of Directors until the Closing of Title to the last Residential Unit in both Phases of the Development (192 Residential Units) the Residential Unit Owners in the Community may never gain control of the Board of Directors of the Association, even if they gain control of the Board of Managers of each respective Condominium within the Community. See Section V.

As a result of the fact that most responsibilities of the Community have been delegated to the Association, the Board of Managers of each Condominium will have minimal power regarding management of the respective Condominium unless the Association Board of Directors fails to meet its obligations either during the period Sponsor is in control of the Association or after the Sponsor relinquishes control of the Association. In such an event the Condominium Board of Managers will be responsible to meet all of the obligations that have been delegated to the Association Board of Directors applicable to the Condominium. See Section V.

Purchasers should refer to Schedule C (Association estimated first year budget) regarding the Common Expenses of the Association that would become Common Expenses of the Condominium in the event the Association fails to meet its obligations. As more fully disclosed below, Sponsor's obligation regarding maintenance payments to the Association is limited to the difference between actual operating costs and the Maintenance Charges levied on Residential Unit Owners who have Closed Title to their Residential Unit for the Phases that are subject to the Association Declaration of Covenants and Restrictions. See Schedule C.

8. **In the event the Association fails to meet its obligations and the Sponsor is still entitled to control of the Board of Managers of the Condominium, the Sponsor controlled Board of Managers will be responsible for all of the Condominium obligations that have been delegated to the Association. In the event the Sponsor controlled Board of Managers of the Condominium fails to meet said obligations, the Unit Owners in the Condominium may be required to seek independent counsel to enforce the provisions of the Offering Plan and the By-Laws which might require injunctive relief in a court of law and may result in protracted litigation.**

Once title has passed to a Purchaser all Maintenance Charges, Common Charges and Special Assessments applicable to their Unit shall become the Unit Owner's sole obligation. See Section V.

9. The Association will have Architectural Control over any additions or changes to a Residential Unit in the overall Community as provided for in Article XVIII, Section 3 of the Association By-Laws contained as Schedule J-3 in Part II of the Offering Plan. Said provision provides that no balcony or terrace, or change or alteration to the interior of any Residential Unit which shall affect the structural soundness of the Building in which the Residential Unit is located in any Condominium regime subject to the Declaration of Covenants and Restrictions, shall be commenced, erected, replaced, repaired or maintained, until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to, and approved in writing, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors and/or the Sponsor. During the period the Sponsor is in control of the Board of Directors, the Sponsor shall maintain a majority of the Members of the Architectural Committee (*i.e.*, 2 of 3 members). Subsequent to the expiration of the Sponsor Control Period, the members of the Architectural Committee shall be comprised solely of Residential Unit Owners. The provisions of this paragraph shall not apply to the Sponsor. A two thirds (⅔) majority of a quorum of the Board of Directors or Architectural Committee shall be required for approval of all of the above items.

The Architectural Control provisions will not apply to the Sponsor.

See Section V of the Plan for a complete discussion of the Homeowners Association.

10. No Residential Unit Owner will be permitted to make any addition, alteration, or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Unit, or any Limited Common Element for the Residential Unit Owner's exclusive use, without the prior written approval of the Board of Managers of the Condominium or the Board of Directors of the Homeowners Association. Said provisions requiring the written consent of the Board of Managers or Board of Directors does not apply to the Sponsor. See Article VIII of Schedule J.

11. If an Association Class A Member is in default in the payment of Association Maintenance Charges assessed against such Class A Member's Residential Unit and fails to cure such default within five (5) days after receipt of written notice from the Board of Directors of the Association, the Board of Directors, in its sole discretion, shall have the option to prohibit all privileges of the Association, including voting privileges, by such Class A Member, permitted occupant, and the respective family members, guests and invitees of the foregoing, until such Class A Member is reinstated in good standing in the Association and to take such other legal action as may be permitted by applicable law or the By-Laws. In addition to the foregoing, any Class A Member in default shall be ineligible to be considered for membership as a Director to the Board of Directors and if on the Board of Directors, shall be suspended thereto until such time as all Association Common Maintenance Charges, together with late charges, interest and expenses, if any, are paid to the Association. In no event, however, shall a Class A Member's right of ingress and egress to their Residential Unit be suspended for non-payment of Common Maintenance Charges.

See Section V of the Plan for a complete discussion of the Homeowners Association.

12. As long as Sponsor retains an Unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Managers, so long as the Managers are Residential Unit Owners and are not on Sponsor's slate of Managers for the Board of Managers, Sponsor's payroll, or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable. At such time as the Sponsor no longer owns any Residential Units in the Condominium it will not be entitled to designate any Managers to the Board of Managers. See Sections XXV and XXVI of the Offering Plan.

13. The Housing Merchant Implied Warranty (General Business Law Article 36-B) does not apply to this offering as a result of the fact the statute applies only to new single-family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to Purchasers under a cooperative or condominium regime. As a result of the fact the Building contains over (5) construction floors, this statute is not applicable. Construction floors refers to the total number of actual floors within the building (i.e., 11 floors), which number may differ from the floors being marketed within the Condominium (e.g., the 11th construction floor is marketed as the "Penthouse" floor). Sponsor has the obligation nevertheless to construct the Building in accordance with applicable law, codes, regulations and in accordance with plans and specifications. Except as disclosed herein, the Sponsor is not warranting the materials or workmanship of each Residential Unit, Limited Common Elements or General Common Elements.

Nonetheless, Sponsor will offer the following limited warranty to a Purchaser of a Residential Unit: Sponsor will correct any patent or latent defects in the construction of the Residential Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and

specifications, provided only that it is notified of patent defects in writing by certified mail within six (6) months from the date of Clothing of Title to the Residential Unit and one (1) year for latent defects from the date of Closing of Title to the Residential Unit in which the alleged defect exists (the "Limited Warranty"). If a defect occurs in an item which is covered by the Limited Warranty, Sponsor or Sponsor's contractors will (a) repair or (b) replace the defective item. The choice between repair or replacement is Sponsor's.

In addition, Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of immaterial variations in the dimensions or arrangement of rooms, walls or other areas within Residential Units, or in the Plans and Specifications, or in the description of the Building or a Residential Unit set forth in the Offering Plan.

Further, and except as otherwise provided in this Offering Plan, where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and reasonable decision of the Sponsor shall be determinative.

Regarding the Common Elements of the Condominium not covered by any Limited Warranty, no matter how such Common Elements may be designated, the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially (i.e. does not constitute defective workmanship by the Sponsor or by an agent, employee or subcontractor of the Sponsor; defective material supplied by the Sponsor or by an agent, employee or subcontractor of the Sponsor; or defective design provided by a design professional retained exclusively by the Sponsor) at variance with this Offering Plan as may be changed by Sponsor from time to time provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within one (1) year of the issuance of a temporary Certificate of Occupancy or permanent Certificate of Occupancy, whichever is issued first.

Purchasers should refer to Section XX of the Offering Plan and Section 42 of the Purchase Agreement as to the specific requirements and exclusions of the Limited Warranty and the provisions applicable to the Common Elements of the Condominium. A copy of the Notice of Warranty Claim Form is included in Part II as Schedule D-6. Any dispute regarding the limited warranties contained in Section 42 of the Purchase Agreement shall be resolved by arbitration in accordance with Article XVIII of the By-Laws and the parties waive their rights to a trial by judge or jury.

14. Pursuant to contractual arrangement, a Purchaser shall be required to pay certain costs and adjustments at Closing, including New York State Real Estate Transfer Taxes at the rate of $2.00 per $500 of consideration. Sponsor has transferred its statutory obligation to pay transfer taxes to Purchaser. Pursuant to Section 1404(a) of the Tax Law of the State of New York, as amended on July 1, 2021, where the New York State Real Estate Transfer Tax is paid by the Purchaser pursuant to contractual agreement, such tax will be excluded from the total calculation of consideration of the purchase price of a

Residential Unit. See Section XVII of the Offering Plan and the Purchase Agreement set forth as Schedule D.

15. Pursuant to Sections 1402-a and 1402-b of the Tax Law of the State of New York, a Purchaser will be required to pay a tax for a Residential Unit where the consideration is $1,000,000 or more (the "Mansion Tax") in the amount of one (1%) percent of consideration. Pursuant to the provisions of the statute the obligation to pay the Mansion Tax is the Purchasers. See Section XVII of the Offering Plan and the Purchase Agreement set forth as Schedule D.

16. Although all funds received by Sponsor from Purchaser for upgrades, options, extras, special work or custom work ("Extras") not included in the base price of a Residential Unit will initially be placed in the Escrow Account, such funds may be released from the Escrow Account without the requirements disclosed in Section XIII of the Plan as long as the Sponsor uses the funds for such Extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for Extras which have been installed by Sponsor, not installed but paid for by Sponsor or not installed but which have been ordered by Sponsor and for which Sponsor is obligated to pay, unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive a refund of all funds paid to the Sponsor for such Extras. See Section XIX of the Offering Plan.

17. The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. Any Purchaser who does not close title to the Residential Unit as a result of their inability to obtain a mortgage and pay the balance of their Purchase Price may lose their Deposit plus the Extras as provided for in Special Risk No. 16 as liquidated damages. Prospective purchasers who need financing to purchase are advised to consult with a lender before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as to the availability or cost of such financing. See Section XVII of the Offering Plan.

18. If a Purchaser fails for any reason to Close Title after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor, in a subsequent Notice for Closing, adjourned the Closing, all of the Closing Apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing Date (as the case may be). In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to .0438% (which equals an annual rate of 16%, the maximum in New York State) of the purchase price for the Residential Unit for each day beyond such originally scheduled or Sponsor adjourned Closing date, to and including the date of actual Closing, for

reimbursement and defrayal of Sponsor's carrying costs and other charges. See Section XVII of the Offering Plan and Paragraph 7 of the Purchase Agreement.

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

In addition, it is anticipated that the Closing to the first Residential Unit will occur on or about March 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 February 28, 2025, twelve (12) months after the projected date for the first Closing contained in this Offering Plan. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Residential Unit Closing occurs before February 28, 2025, the Sponsor may schedule the Closings of Title to other Residential Units significantly later than such date. Some Purchase Agreements may not include an outside Closing Date and unless a Purchaser's Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule a Closing within any specified time frame or to ensure that Closing of Title to the Residential Unit will occur by any date certain. Purchasers should note that even if the first Closing occurs on or before March 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 Residential Units may be substantially delayed beyond such dates. In such case, provided that Sponsor is diligently pursuing completion of construction of the applicable Residential Units and the issuance of a Certificate of Occupancy for said Residential Units, if not already issued, and is otherwise in compliance with its obligations under the Plan, Purchasers will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT. In the event, however, Sponsor cannot convey title to the Residential Unit on or before twelve (12) months from the estimated date of conveyance contained in the Purchase Agreement, affected Purchasers will be afforded the right of rescission.

Any Purchaser entitled to a right of rescission must advise the Sponsor as to the Purchaser's intent to exercise Purchaser's right of rescission within a reasonable period of time, not less than fifteen (15) days from the date of receipt of an amendment offering rescission to Purchasers.

See Section XVII of the Offering Plan and Paragraph 6 of the Purchase Agreement in Part II of the Plan.

20. All individual members of the Sponsor and their guests and invitees shall have the right of access to and through the Common Elements, no matter how classified, and shall be granted a right to use all the Amenity Rooms and Outdoor Amenities of the Condominium. The right of access to use said facilities shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners. See Section XXII of the Offering Plan.

21. All Deposits received from Purchasers will initially be deposited into an escrow account of Certilman Balin Adler and Hyman LLP (the "Escrow Agent") in M & T Bank (the "Bank"), with an address at 845 Franklin Avenue, Garden City, New York 11530, as described in Section XIX of the Offering Plan. The escrow account is an IOLA account consistent with Section 497 of the Judiciary Law of the State of New York. The maximum deposit insurance amount will be $250,000. If an individual makes a Deposit in excess of said amount for the purchase of a Residential Unit, it is a special risk of this offer that such Deposit will not be federally insured in excess of said amount. Purchasers should note that if the Purchaser has any accounts in the Bank, the funds in those accounts will count towards the $250,000 FDIC insurance limit. Thereafter, at Sponsor's option and receipt of a Surety Bond for the Residential Unit, pursuant to the requirements contained in Section XVII, the Escrow Agent will release said funds to the Sponsor. In the event the Sponsor does not utilize a Surety Bond to secure the Purchaser's Deposit the Escrow Deposit will remain in the Escrow Account pursuant to the provisions contained in Section XIX of the Offering Plan.

22. Purchasers should be aware that they will be living in an active construction site until the entire Community is completed. During this period Unit Owners in the Community are advised that there will be storage of construction material and equipment on the site, construction vehicular traffic throughout the Community, construction noises, dirt, debris and dust in the roadways and throughout the Condominium, unfinished areas of the Community and other inconveniences which are normal in a new home community under construction until the completion of the Community. See Section XXXV.

23. The square foot area of the Residential Units at 100 Boardwalk Condominium were derived as follows: the square foot are of each Unit is measured horizontally paint to paint (i.e., from the inside face of exterior wall to inside face of corridor or common area wall and inside face of partitions separating one Unit from another Unit). Columns and mechanical shafts are deducted from measurement of each Unit. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. See Section VI of the Offering Plan.

24. Purchasers should note that pursuant to the terms of the Offering Plan, as long as the Sponsor retains control of the Board of Managers, the Board of Managers

retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments. Upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in the governing regulations. In the event Sponsor elects to delay collection of Condominium Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan. See Section I of the Offering Plan.

25. No representation is made that the Reserve Fund will be adequate for future expenses including repairs or replacements of Common Elements of the Condominium or Common Areas of the Association. If additional funds are required over and above the Reserve Fund, it may be necessary to increase the Maintenance Charges payable by the Residential Unit Owners or to collect a Special Assessment from each Unit Owner. Notwithstanding, although the Sponsor cannot make any guarantees, as this Condominium is new construction development, it is unlikely that there will be any major capital improvements during the first five (5) years of Condominium operation.

The Reserve Fund is to be utilized for capital improvements to the Community including the Outdoor Amenities, Amenity Rooms, roadways, roofs and exterior facades of the Buildings, as necessary. The Outdoor Amenities, Amenity Rooms, and roadways are anticipated to be completed in August of 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. The roofs and exterior facades of the Buildings will be completed prior to the Closing of Title to a Residential Unit. The Closing of Title to the first Residential Unit is expected to take place on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales and the completion of 100 Boardwalk Condominium is expected by March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. See Section XXIX.

26. The Purchase Agreement provides that in the event Purchaser fails to appear and Close Title in accordance with the Purchase Agreement or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor has the right to send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed cancelled and Sponsor shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to

Sponsor on account of the Purchase Price plus all additional sums paid by Purchaser for all Extras which have been installed by Sponsor, not installed but paid for by Sponsor or which have not been installed but ordered by Sponsor and which Sponsor is obligated to pay.

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

See Section XII.

27. The Sponsor does not intend to enter into interim leases with Purchasers for Residential Units prior to Closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have Purchaser's contractors or agents enter the Residential Unit to perform work prior to Closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain as liquidated damages the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of Extras as detailed in Special Risk No. 16. Purchasers should refer to Paragraph 19 of the Purchase Agreement. See Section XVI.

28. Sponsor will not exercise veto power over expenses described in Schedule C, the projected budget for the first year of operation of the Association, or over expenses required:

(i) to comply with applicable laws or regulations;
(ii) to remedy any notice of violation;
(iii) to remedy any work order by an insure; or
(iv) to preserve the health and safety of the Association or for the health and safety of occupants of the Association or required to avoid the suspension of any necessary service to the Association.

See Schedule C and Section V.

29. Purchasers should note that the assessments for each proposed condominium Unit are estimates. The actual assessed valuation will be established as of a taxable status date. Purchasers should further note that the tax rates are determined by the applicable taxing authorities on an annual basis and are subject to increase or decrease. As a result, the actual real estate taxes applicable to each Unit may be higher or lower than estimated. As a result, no representation or warranty is made that the actual assessed valuation will be as projected in Schedule A, or that the projected tax rate will not change. In no event will Sponsor, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind the Purchaser's Purchase Agreement, in the event the actual taxes differ from those

projected. The Offering Plan will be amended to disclose any material change in the assessed valuation of the Residential Units or the tax rates. See Section XXVI.

30. The Common Area of a Homeowners Association is customarily not assessed for real estate taxes and is value reflected in the land and values of each individual Residential Unit. As a result, no money has been budgeted for real estate taxes as part of the Association Common Expenses. Notwithstanding, no representation or warranty is made the Association will not be assessed for real estate taxes against property owned by the Association. In the event real estate taxes are assessed against property owned by the Association they will become a Common Expense of the Association and part of the Maintenance Charge paid by each Residential Unit Owner. In no event will Sponsor, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event taxes are assessed against property owned by the Association. Purchasers should note that if real estate taxes are assessed against the Association property, they will not be deductible by a Residential Unit Owner for income tax purposes. In the event there are any real estate taxes associated with the Common Area, it will be the responsibility of the Association to pay as part of its Common Expenses and will be included in the Maintenance Charges. In such an event, the Maintenance Charges will likely increase. See Footnotes to Schedule C.

31. Purchasers should note that for the 2016/17 tax year the State of New York has effectively eliminated the STAR exemption program in favor of a new “personal income tax credit” (“PIC”) for all qualifying Residential Units purchased after August 1, 2015. Eligible unit owners must register their Residential Unit and file an application with the State of New York online at https//www8.tax.ny.gov/STRP/strpStart. In order to qualify for the STAR PIC, the applicant must utilize the unit as their primary residence and the Residential Unit Owners’ aggregate annual income must not exceed $500,000. No paperwork will be required to be filed with the Assessor’s office, as the State will be administering the PIC program without local assistance. For the 2021/22 tax year, qualified applicants received a STAR exemption benefit of $705 on their tax bills. Assuming the state calculates the PIC utilizing the same factors and formula currently utilized for the STAR exemption, qualified applicants could expect to receive a credit of approximately $705 for the 2024/25 tax year if the condominium units were purchased and occupied. The STAR PIC is not guaranteed for individual Unit Owners. See Footnotes to Schedule A and Section XXVI.

32. Purchasers should note that it is a possibility that the Building Department of the City of Long Beach will issue temporary Certificates of Occupancy for vertical rise Condominiums prior to the completion of all the Residential Units in the Condominium. Upon completion of all the Residential Units in the Condominium, it is anticipated that the Building Department will issue permanent Certificates of Occupancy. Sponsor and its principals expect they will obtain a permanent Certificate of Occupancy within two (2) years of the issuance of the temporary Certificate of Occupancy. Purchasers should consult with their attorneys regarding the ramifications of Closing Title to a Residential Unit with a temporary Certificate of Occupancy. See Special Risk 34 and Section XXII.

33. Purchasers are advised that in New York, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent Certificate of Occupancy ("PCO") covering the entire building but with only a temporary Certificate of Occupancy ("TCO"), and sometimes with several successive temporary Certificates of Occupancy. Certificates of Occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. The TCOs and PCOs are issued by the City of Long Beach Building Department. A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Residential Units. In the City of Long Beach, it is common for sponsors to commence Residential Unit closings when some or all Residential Units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the entire building within two years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire building and shall exercise its best efforts to obtain the PCO within such two (2) year period while keeping the TCO current. Residential Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit requiring Building Department approval prior to the issuance of a Permanent Certificate of Occupancy or renewal of a temporary Certificate of Occupancy. Completion of Non-Residential Units will have no effect on obtaining COs for the remainder of the overall Building, including the individual Residential Units.

34. Purchasers should note that no bond or other security has been furnished to secure performance of the Sponsor obligations detailed in Section XXII of the Offering Plan. Along with the construction loan as described in Section I of the Plan and Sponsor's capital, Sponsor has sufficient funds to complete the project and to meet its unsecured obligations.

35. The Sponsor does not wish to sell Residential Units to Purchasers who intend to purchase the Residential Unit as a short-term resale investment. As such, the Purchase Agreement provides that if a Residential Unit is sold within twenty-four (24) months from the Closing of Title to the first Residential Unit in the Condominium, the Purchaser shall, upon the sale of the Residential Unit, pay Sponsor, at or before the resale Closing, an amount equal to twenty five (25%) percent of any profits defined as the Gross Sales Price without deductions for Closing or other transaction costs less the original purchase price; however, such amount shall not be greater than the net proceeds of the sale of the Residential Unit, which would be the gross sales price, less amounts owed on a

mortgage and all Closing Costs. The Purchase Agreement further provides that no Residential Unit may be resold for less than the current sales price offered by the Sponsor for the same or similar unit type per this Offering Plan, or any Amendment hereto, in effect at the time of such sale. This provision only applies to the initial Purchaser of a Residential Unit from Sponsor and not to subsequent re-sales, and does not apply if the Residential Unit Owner or their spouse dies within the above periods, or if all the Residential Units have been sold by Sponsor before the expiration of the above periods. In addition, it does not apply to any mortgagee who forecloses or accepts a deed in lieu of foreclosure for a default under a first mortgage. See Section I of the Offering Plan and Paragraph 40 of the Purchase Agreement set forth as Schedule D in Part II of the Plan.

36. Sponsor, its members and designated employees will have easements of ingress and egress and access to the Condominium and Association, their amenities, and parking spaces for as long as the Condominium and Association are in existence for purposes of marketing other communities being developed by Sponsor or affiliated entities or for any other future repair to the Common Area, Common Elements, or an individual Residential Unit. The Board of Managers of the Condominium or Board of Directors of the Association shall not have any right to deny the Sponsor, its members and designated employees' access to the Condominium and/or Association properties. See Section XXII.

37. As long as the Sponsor or its designee shall continue to own one (1) or more of the Residential Units in any Phase of the overall Community, the Board of Directors may not, without the Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Common Elements of each Condominium subject to the Declaration of Covenants and Restrictions, or (ii) assess any Association charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (iii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Association and its Members, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the closing of the first Residential Unit, or (v) borrow money on behalf of the Association, or (vi) increase or decrease the services or maintenance requirements set forth in Schedule C of the Plan, or (vii) purchase any materials, equipment or other goods costing in excess of $1,000, or (viii) increase the Maintenance Charges of the Association more than ten (10%) percent from the prior year's budget, unless required by law, emergency, municipal agency, the health and safety of its Members, or if documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors, or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent; or (ix) utilize Association funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. In addition, so long as there are any Unsold Residential Units in the overall Community, the Board of Directors and the Residential Unit Owners shall not take any action that will interfere, impair or adversely affect the rights of the Sponsor to sell and construct any Residential Units.

The above provisions, (i) through (ix), provide that so long as the Sponsor owns even one Residential Unit in the entire Community, for however long it may choose to

retain ownership of even one Residential Unit, significant financial decisions of the Board of Directors will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow funds for a capital improvement which all Residential Unit Owners are in favor of, or the ability to enter into a contract with an attorney and fund legal fees if the Sponsor fails to comply with provisions in the Offering. See Section V.

38. Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit that will prevent the issuance of a permanent Certificate of Occupancy or extension or renewal of a temporary Certificate of Occupancy for the Residential Unit and/or Building. Residential Unit Owners will be permitted to make standard improvements to their Residential Units such as painting, installation of flooring, cabinetry, fixtures etc. as long as the improvements do not affect the ability of the Sponsor to obtain a permanent Certificate of Occupancy or extension or renewal of a temporary Certificate of Occupancy. Residential Unit Owners are responsible for obtaining all necessary permits from the City of Long Beach and any other required municipal agencies for any changes the Residential Unit Owner makes to their Residential Unit subsequent to the Closing of Title with the Sponsor. Sponsor will not be liable for nor responsible to a Residential Unit Owner in the event an inspection by the Building Department of the City of Long Beach prevents the issuance of a renewal and/or extension of a temporary Certificate of Occupancy or permanent Certificate of Occupancy as a result of changes made to the Residential Unit by a Residential Unit Owner. In such an event, Sponsor shall provide documentation substantiating the assertion that the Residential Unit Owner's changes prevented the issuance of a PCO or renewal of a TCO for the Property. In the event a Residential Unit Owner makes any changes, additions or alterations to their Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Residential Unit and/or Building, the Residential Unit Owner shall reimburse Sponsor within ten (10) days following Sponsor's demand therefore, for any and all costs incurred by Sponsor with respect to Residential Unit Owner's changes to the Residential Unit that prevent the extension or renewal of a Temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Building Department of the City of Long Beach. See Section XXII of the Offering Plan.

39. All sales and leases of a Residential Unit are subject to the Right of First Refusal of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium as provided for in Section 2 of Article XI of the Condominium By-Laws. See Section XXV and the Condominium By-Laws set forth as Schedule I in Part II of the Plan.

40. At Closing, the Sponsor will collect the equivalent of two (2) months' Common Charges from each Purchaser to be paid to the Condominium and two (2) months' Maintenance Chagres to the paid to the Association as initial working capital ("Working Capital") of the respective Condominium and the Association. While Sponsor is in control of the Board of Managers of the Condominium, the Condominium Working Capital Funds may be used to reduce the Condominium Common Charges. Working Capital Funds of the Association may not be used to reduce the Association Maintenance Charges. The Working Capital Funds may be utilized to reimburse Sponsor for prepaid

expenses of the Condominium and/or Association. Any adjustments for prepaid expenses between the Board of Managers or Board of Directors and Sponsor for the Condominium or Association, as applicable, may be deducted only from Working Capital Fund. The only budgetary items that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedules B and C. At such time as the Sponsor relinquishes control of the Board of Directors of the Association, any remaining balance of the Working Capital Funds that has not been utilized will be turned over to the Residential Unit Owner representatives of the Board of Managers and Board of Directors for management and oversight. The Offering Plan does not provide for any minimum Working Capital Fund to be turned over to the Board of Managers or Board of Directors, regardless of any adjustments to the Sponsor for prepaid expenses. See Section XXV of the Offering Plan.

41. The following constitutes the Smoking Policy applicable to the Condominium and to all Unit Owners, residents, tenants, guests, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium:

(a) Definitions:

(i) Smoking: 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 designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-Cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all general common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, laundry room, storage area, mechanical room, equipment room, cellar, basement, elevator, garage, rooftop, play areas, parking areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and use of Electronic Cigarettes are prohibited from the roof, balconies, terraces or any space designated as a General Residential Units' Limited Common Element, Individual Residential Unit's Limited Common Element and Non-Residential Unit's Limited Common Element appurtenant to the Unit or Units.

(iii) All legal Smoking and use of Electronic Cigarettes is permitted within the interior area of a Residential Unit and Non-Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit shall incorporate the provisions of the Smoking Policy into the lease with the Residential Unit Owner's tenant.

(c) Complaints:
Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

(d) Arbitration:
Disputes regarding the Smoking Policy shall be submitted for arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium. The Smoking Policy is contained in Article VIII (the "Rules and Regulations"), Section 6 of the Condominium By-Laws, set forth as Schedule J in Part II of the Plan. Purchasers should also refer to Section XXV of the Offering Plan.

42. Paragraph 37 of the Purchase Agreement for a Residential Unit, set forth as Schedule D in Part II of the Plan, provides:

> "Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in Nassau County and all motions in any such action shall be made in Nassau County. Purchaser agrees to pay any and all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including, without limitation, small claims court) and be unsuccessful. Purchaser waives its right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement."

43. In the event of any dispute regarding any of the following, such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XIII of the By-Laws: (i) Limited Warranty on Residential Unit; (ii) the Purchase Agreement; (iii) the smoking policy; (iv) Cabana License Agreements, Parking Space License Agreements, or any fees arising therefrom; (v) expenses to be borne by the Non-Residential Units and/or the Common Charges payable by the Non-Residential Units; (vi) the obligation to replace or repair any private balcony or terrace appurtenant to a Unit as such Unit's Limited Common Element, and the costs and/or expenses associated therewith; (vii) the obligation to replace or repair the Common Elements, and the costs and/or expenses associated therewith; (viii) cost and maintenance associated with the Drainage Easement and Maintenance Agreement; and (ix) cost and maintenance associated with the Access Easement and Maintenance Agreement. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in Nassau County jurisdiction of the Condominium in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in Nassau County before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York. Purchasers should note that the right to appeal from an arbitration determination is very limited. Any dispute between a Unit Owner and the Condominium Board regarding situations outside of the aforementioned shall be resolved pursuant to any legal recourse available to either party. See Section XXIV and the Condominium By-Laws set forth in Part II of the Plan as Schedule I.

44. Paragraph 31 of the Purchase Agreement provides, *inter alia*, the following:

Escrow Agent shall release the Deposit and all other deposits if so directed:

(i) pursuant to terms and conditions set forth in this Purchase Agreement, upon closing of title to the Home; or
(ii) upon receipt of an individual Surety Bond in the form disclosed in Schedule D-5, or
(iii) in a subsequent writing signed by both Seller and Purchaser; or
(iv) by a final, non-appealable order or judgment of a court of competent jurisdiction.

In the event of a good faith disagreement about the interpretation of Paragraph 31 of the Purchase Agreement, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent, Escrow Agent may, at its sole discretion, retain Purchaser's deposits and payments in escrow and file an action and deposit any applicable funds in a court of competent jurisdiction to resolve said disagreement. Escrow Agent shall be indemnified by Seller for all costs, including reasonable attorneys' fees or reasonable value of services rendered by Escrow Agent's litigation attorneys representing Escrow Agent pro se, in connection with the aforesaid action. No such action shall be filed

where Escrow Agent's required course of action is clearly dictated within Paragraph 31 of the Purchase Agreement.

See Section XVII and the Purchase Agreement for a Residential Unit contained as Schedule D in Part II of the Plan.

45. The current Flood Insurance Rate Map (FIRM) for the City of Long Beach, published by the Federal Emergency Management Agency (FEMA), is Community Panel No. 36059C0308G, effective April 5, 2023. The site is within Flood Hazard Zone VE, "areas subject to inundation by the 1-percent-annual-chance flood event (100-year flood) with additional hazards due to storm-induced velocity wave action." The Base Flood Elevation (BFE) for the site is 15. The Building Code of New York State and the City of Long Beach Building Code requires the bottom of the lowest horizontal structural member of the lowest floor be 2 feet above the BFE. Therefore, the Design Flood Elevation (DFE) for the proposed building is elevation 17. The proposed elevation of lowest floor is 20 and therefore complies with requirements. In addition, prior to the Closing of Title to the first Residential Unit, the Condominium will have in place a flood insurance policy through the National Flood Insurance Program ("NFIP") Flood Insurance Residential Community Building Association Policy ("RCBAP") Program, which policy complies with all FEMA flood insurance requirements. A Letter of Map Revision (LOMR) application was submitted by the Sponsor to FEMA requesting that the flood zone designation for the site be changed to AE 15. FEMA issued a LOMR Determination on October 5, 2022, confirming that the requested revision to the map is warranted, and the revision was effective as of April 5, 2023. See Section III of the Plan.

46. A Phase I Environmental Site Assessment and Remedial Plan for the property dated March 2020 was prepared by FPM Group (FPM) and submitted to the Nassau County Department of Health (NCDOH) indicating that the property was underlain by up to 14 feet of fill material consisting of sand with construction and demolition (C&D) materials, including concrete, brick, asphalt, and rock. The fill contained some semi volatile organic compounds (SVOCs) and metals that, in some cases, exceeded the New York State Department of Environmental Conservation (NYSDEC) Soil Cleanup Objectives (SCOs) for the planned use of the property (restricted residential use). The fill was not impacted by any volatile organic compounds (VOCs), pesticides, or polychlorinated biphenyls (PCBs) above the SCOs for the property use. Native soil that consists of sand with natural materials was present beneath the fill. The native soil was tested and none of the detections exceeded the SCOs for the property use. Groundwater testing performed at multiple locations on the property revealed no issues of concern. Soil vapor sampling data from multiple locations on the property was evaluated with respect to NYSDOH guidance and it was concluded that soil vapor intrusion does not present a concern. Additional soil and soil vapor testing were performed pursuant to an October 21, 2020 work plan prepared by FPM and approved by NCDOH on November 4, 2020. The investigation procedures and results are documented in a December 28, 2020 Soil and Soil Vapor Investigation Report and Remedial Plan prepared by FPM and submitted to the NCDOH. The Remedial Plan included measures to remove and properly dispose of all materials that exceeded the SCOs for the planned use of the property and installation of a

vapor barrier beneath the building. The NYSDEC subsequently took jurisdiction over the remedial activities involving soil. Detailed procedures for soil management and disposal were included in an October 2021 Remedial Plan for the property prepared by FPM and approved by the NYSDEC on October 25, 2021. This Remedial Plan was successfully implemented during construction with oversight by FPM and the NYSDEC, and resulted in removal of all the materials that exceeded the SCOs for the property use. Post-excavation testing confirmed that the remaining soil, which is nearly entirely native, does not exceed any of the SCOs for the use of the property. The remedial procedures and results were documented in an August 2022 Remedial Report prepared by FPM and certified by a New York State-licensed Professional Engineer (PE). The Remedial Report was approved NYSDEC by letter dated October 3, 2022.

Sub-slab depressurization systems (SSDSs) and related appurtenances have been installed beneath the on-grade floor of the lower level of the parking garage beneath the buildings solely as a precautionary measure to mitigate any potential soil vapor intrusion (SVI), if present. Each SSDS includes sub-slab slotted Schedule 40 piping that is set in a bed of gravel and connected to a discharge stack of solid Schedule 40 PVC piping that exits the building above the roof. An electric fan (Fantech Rn3 inline radon fan) is planned to be installed in each stack above the roof level and is designed to operate 24/7 with no maintenance. These fans have a 5-year warranty for any factory defect in workmanship or material. Maintenance requirements for SSDSs are minimal and include an annual inspection and screening of the effluent. Monitoring points are installed in the on-grade garage floor to allow for pressure testing and SVI testing. SVI testing will be performed following building construction to determine is SSDS operation is necessary. If SVI is not present following completion of building construction, SSDS operations may be terminated with NCDOH approval. If necessary, the Association will contract with a qualify environmental/engineering consulting firm for SSDS operation, inspections, and maintenance in accordance with the October 5, 2021 Maps of the Condominiums Phases I and II approved by the NCDOH, with the results reported to the NCDOH. Purchasers should refer to the Description of Property Report set forth in Part II of the Offering Plan.

47. The Condominium and Association shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Drainage Easement and Maintenance Agreement provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Condominium parcel and reciprocal easement over the Breeze Parcel in favor of the owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the 100-140 Boardwalk Parcel and Breeze Parcel. The Association, on behalf of any Condominiums subject to the Declaration of Covenants and Restrictions, shall be responsible for the installation, maintenance, and repair of the portion(s) of the drainage system(s) located within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Drainage Easement and Maintenance Agreement, the Condominium(s) then

subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). A copy of the Drainage Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule M. See Sections XXV and XXVII.

48. The Condominium and the Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Access Easement and Maintenance Agreement provides for an easement in favor of the Sponsor, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel. The common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the owner of the Breeze Parcel shall perform all necessary maintenance and repairs to the common roadway and the Association, on behalf of any Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association to a Site Operator appointed via the terms of the Access Easement and Maintenance Agreement and designated to oversee the maintenance and repair of the common roadway and the invoicing for the costs thereof. The expenses to be paid by the Association shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Access Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). See Section XXVII of the Offering Plan. A copy of the Access Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule N.

49. There shall be a perpetual and unobstructed, non-exclusive, non-vehicular easement over and across the stairs and ramps located on the southern portion of the Property, which portion of the Property is adjacent to the City of Long Beach Boardwalk, for the purpose of perpetual and unobstructed public pedestrian and non-motorized bicycle use throughout the easement area for access to the Non-Residential Units in the Condominium. The maintenance of the improvements in the easements shall be the responsibility of the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations. The maintenance obligation herein shall also include repair and replacement of the improvements and amenities within the easement area, including landscaping. Notwithstanding the grant of the aforesaid easement, there shall be no public access to the Outdoor Amenities or any other portion of the Condominium or Association Property except as expressly described in the Declaration of Condominium or Declaration of Covenants and Restrictions. See Section XXV.

100 BOARDWALK CONDOMINIUM
PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of ninety-five (95) Condominium Residential Units (the "Residential Units") in a Condominium to be known as 100 Boardwalk Condominium located at 100 Boardwalk, City of Long Beach, Nassau County, State of New York 11561. The purpose of the Plan is to set forth all the material terms of the offer for the benefit of prospective Purchasers.

The Plan may be amended at any time and from time to time provided that the amendment is duly filed with the Department of Law of the State of New York and is served on Purchasers and Residential Unit Owners.

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

The Sponsor of the Plan is Isla Blu at Long Beach LLC, a Delaware limited liability company with an address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. The Sponsor is the owner of the property comprising the Condominium, having obtained title by deed dated August 4, 2021, and recorded in the Nassau County Clerk's Office on September 20, 2021.

As of the date of the Offering Plan the Sponsor has obtained loans that will enable the Sponsor to construct the Building. The loans are held by Acore Capital Mortgage, LP, with offices located at 80 E. Sir Francis Drake Blvd., Suite 2A, Larkspur, CA 94939, as Administrative Agent for the lenders ("Lender") and permit the Sponsor to market the Residential Units for sale subject to a release price at each closing. The loans do not provide for any minimum number of percentage of Residential Units that must be under contract before the Offering Plan can be declared effective. The loans do not have any limitations or requirements that have been imposed by the Lender that require when the Sponsor may rent rather than sell under specified market conditions, except that the Sponsor cannot enter into any leases without the prior written consent of the Lender. The Sponsor is obligated to pay off and otherwise comply with the terms of the loans on the entire Condominium and is required to release each Unit from the loans at the time of Closing.

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (15% x 95 = 15 Residential Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. Purchasers should further note that there is no provision in the By-Laws that requires that a majority of the Managers of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Community should be managed as a result of their different reasons for purchasing, *i.e*., purchasing as a Residential Units to live in as opposed to purchasing as an investment. See Section XXI of the Offering Plan.

Sponsor does not wish to sell Residential Units to Purchasers who intend to purchase the Residential Unit as a short-term resale investment. As such, the Purchase Agreement provides that if a Residential Unit is sold within twenty-four (24) months from the Closing of Title to the first Residential Unit in the Condominium, the Purchaser shall, upon the sale of the Residential Unit, pay Sponsor, at or before the resale Closing, an amount equal to twenty five (25%) percent of any profits defined as the Gross Sales Price without deductions for Closing or other transaction costs less the original purchase price; however, such amount shall not be greater than the net proceeds of the sale of the Residential Unit, which would be the gross sales price, less amounts owed on a mortgage and all Closing Costs. The Purchase Agreement further provides that no Residential Unit may be resold for less than the current sales price offered by the Sponsor for the same or similar unit type per this Offering Plan, or any Amendment hereto, in effect at the time of such sale. This provision only applies to the initial Purchaser of a Residential Unit from Sponsor and not to subsequent re-sales, and does not apply if the Residential Unit Owner or their spouse dies within the above periods, or if all the Residential Units have been sold by Sponsor before the expiration of the above periods. In addition, it does not apply to any mortgagee who forecloses or accepts a deed in lieu of foreclosure for a default under a first mortgage.

In the event Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Residential Units. A bulk sale consists of the transfer of ten (10) or more Residential Units or twenty (20%) percent or more of the total number of Residential Units in the Condominium, whichever is less.

The Sponsor with this Offering Plan is offering for sale the ninety-five (95) Condominium Residential Units (the "Residential Units"). There are numerous model types of Residential Units, and a Purchaser should see Schedule G for a detailed description of

the models and Schedule G-3 for copies of the different floor plans of each model type. Sponsor further reserves the right to change the model mix of the Residential Units without consent of any Residential Unit Owner as long as the Percentage of Common Interest for the Residential Units is not affected, there is no Purchase Agreement in effect for said Residential Unit, the Sponsor does not change the total number of Residential Units being offered for sale and does not change the total number of Buildings in the Condominium. Purchasers should refer to Schedule A as to the price and monthly costs associated with each model. The land and all improvements to be erected thereon are hereinafter referred to as the "Condominium."

This Condominium is part of an overall Community that consists of two (2) Phases. The Unit Owners in both Phases will also become automatic mandatory members of a Master Homeowners Association to be known as The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"), as well as Unit Owners within their individual communities. The Association will, among other functions described below, own, operate and maintain the Common Area of the Association, operate and maintain the General Common Elements and General Residential Units' Limited Common Elements of each Condominium regime that is subject to the Declaration of Covenants and Restrictions, and any Individual Residential Unit's Limited Common Element the Association is required to repair and maintain.

Phase I includes the ninety-seven (97) Residential Units and two (2) Non-Residential Units in 140 Boardwalk Condominium. The Sponsor is not initially offering the Non-Residential Units for sale. Phase II includes the ninety-five (95) Residential Units in 100 Boardwalk Condominium, the subject of this Offering Plan. The overall Community will be offered in two (2) Phases as follows:

Phase I	97 Residential Units and 2 Non-Residential Units in 140 Boardwalk Condominium
Phase II	95 Residential Units in 100 Boardwalk Condominium

Total Both Phases – 192 Residential Units and 2 Non-Residential Units

Phase II will be located on the property adjacent to Phase I and will be connected to 140 Boardwalk Condominium via the structure containing certain of the Amenity Rooms that are to be owned and maintained by the Homeowners Association.

The Residential Units in both Phases of the Development will become Members of The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"). The Non-Residential Units will not become Members of the Association.

Sponsor anticipates closing the first Residential Unit in 100 Boardwalk Condominium (i.e., Phase II) on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales.

As a result of the fact that most responsibilities of the Community have been delegated to the Association, the Board of Managers of each Condominium will have minimal power regarding management of the respective Condominium unless the Association Board of Directors fails to meet its obligations either during the period Sponsor is in control of the Association or after the Sponsor relinquishes control of the Association. In such an event the Condominium Board of Managers will be responsible to meet all of the obligations that have been delegated to the Association Board of Directors.

In the event the Association fails to meet its obligations and the Sponsor is still entitled to control of the Board of Managers of the Condominium the Sponsor controlled Board of Managers will be responsible for all of the obligations that have been delegated to the Association. In the event the Sponsor controlled Board of Managers of the Condominium fails to meet said obligations the Unit Owners in the Condominium may be required to seek independent counsel to enforce the provisions of the Offering Plan and the By-Laws which might require injunctive relief in a court of law.

In offering the Residential Units in the Condominium for sale, the Sponsor is simultaneously including mandatory membership interest in the Association.

The Boardwalk Long Beach Homeowners Association, Inc. has been organized to own, maintain, repair and replace (as necessary) the Association Common Areas of the Association and to maintain, repair and replace (as necessary) the General Common Elements and General Residential Units' Limited Common Elements in 100 Boardwalk Condominium, and any General Common Elements and General Residential Units' Limited Common Elements in any condominium that is developed in the Subsequent Phase, and any Individual Residential Unit's Limited Common Element the Association is required to repair and maintain, except for any Individual Residential Unit's Limited Common Elements designated in each Condominium's Declaration and/or By-Laws located in the Subsequent Phase that are required to be maintained by an individual Residential Unit Owner. The Boardwalk Long Beach Homeowners Association, Inc. will also be responsible for the management of the overall Community as provided for in the Declaration of Covenants, Restrictions, Easements, Charges and Liens, By-Laws and/or Rules and Regulations of The Boardwalk Long Beach Homeowners Association, Inc.

The Sponsor's obligation for its proportionate share of Association expenses (*i.e.,* its "Maintenance Charges") as reflected in the projected budget for the estimated first year of operation of the Association contained as Schedule C in Section XI of the Plan, on Unsold Residential Units subject to the Declaration of Covenants and Restrictions will be limited to the difference between the actual operating costs of the Association, including reserves on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Maintenance Charges levied on the Residential Unit Owners who have Closed Title on their Residential Units as provided herein. The Maintenance Charges paid by the Residential Unit Owners who have Closed Title on their Residential Units are to be based upon the Association Common Expenses and Association budget in Schedule C of the Offering Plan applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General

Common Elements and General Residential Units' Limited Common Elements, and Individual Residential Unit's Limited Common Elements the Association is required to repair and maintain, in all Condominiums subject to the Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions, completed or not, and any other Association Common Expenses required by the Association, applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Full Maintenance Charges"). Sponsor will not be required to make a Deficiency Contribution in an amount greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Maximum Deficiency Contribution Obligation").

After the Closing of Title of the first Residential Unit in a Condominium, each Residential Unit Owner in such Condominium shall pay Association Maintenance Charges based upon the Residential Unit's Association Common Interest ("Association Common Interest"). A Residential Unit's Association Common Interest is calculated based upon each Residential Unit's square footage as it relates to the total square footage of all Residential Units in the Condominium(s) then subject to the Declaration of Covenants and Restrictions. The Sponsor's obligation for the Association Maintenance Charges on Unsold Units, as the Class B Member, will be limited to the Deficiency Contribution, as described above. In the event the Association Common Expenses exceed the amount contributed by the Residential Unit Owners who have Closed Title plus the Maximum Deficiency Contribution Obligation of the Sponsor for any fiscal year budget, the additional Maintenance Charges are to be pro-rated among the Residential Unit Owners who have Closed Title and the Unsold Residential Units still owned by the Sponsor based upon each Residential Unit's respective Association Common Interest. The amount of any required Deficiency Contribution on the part of the Sponsor shall not include uncollected Maintenance Charges from Residential Unit Owners who have Closed Title. Excess funds of the Association carried forth from prior fiscal years shall be applied first to the Sponsor's Deficiency Obligation.

The sum due the Association from each individual Residential Unit Owner shall constitute a Maintenance Charge of the Association and unpaid Maintenance Charges shall constitute liens on the individual Units and the personal obligation of the Residential Unit Owner, subject to foreclosure as provided herein. In the event the monthly Maintenance Charges are not sufficient to cover the Association Common Expenses for any fiscal year budget, the Board of Directors will have the right to increase the Maintenance Charges or assess a Special Assessment. In such an event the increased Maintenance Charges shall be paid by the Residential Unit Owners for the balance of the budgetary year based upon their Association Common Interest and Sponsor's obligation shall be paid for the balance of the budgetary year based upon the Sponsor's Deficiency Obligation. In the event a Special Assessment is passed by the Board of Directors, the Special Assessment shall be paid by the Owner of each Residential Unit who has closed title to their Residential Unit in each Phase of The Properties in which Sponsor has commenced Closing of Title to Residential Units in such Phase, and which such Phase is therefore subject to the Declaration of Covenants and Restrictions, including the Sponsor

for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions, based on each Residential Unit's then Association Common Interest. This provision is subject to the rights of the Sponsor contained in Article VIII, Section 6(c) of the By-Laws of the Association. Sponsor will not be obligated to pay any Maintenance Charges on any Residential Units in the Subsequent Phase until such time as Sponsor has commenced the Closing of Title to Residential Units in the Subsequent Phase and the Subsequent Phase is then subject to the Declaration of Covenants and Restrictions.

In addition to Sponsor's obligations to the Association for Maintenance Charges described above, Sponsor is obligated to pay such Common Charges and Special Assessments as are assessed by the Board of Managers of the Condominium on Residential Units, built or unbuilt, to which title has not passed by the Board of Mangers upon the commencement of collection of the Condominium Common Charges.

The Common Expenses applicable to the Association will initially be charged to each Residential Unit Owner who has Closed Title to their Residential Unit based upon each Residential Unit's then Association Common Interest. Purchasers should refer to Schedule A regarding each Residential Unit's Association Common Interest. Purchasers should see above as to the Sponsor's Deficiency Obligation for Unsold Residential Units.

The amount a Residential Unit Owner is required to pay as its Common Maintenance Charge obligation is based on the estimated fully completed budget contained in Schedule C of the Offering Plan. Schedule C assumes that all the Residential Units in each Phase will be occupied and that all the common improvements will be completed. As a result, Residential Unit Owners may be paying Common Maintenance Charges for improvements that may not yet be completed or services not yet operational. Surplus funds in the Association budget from prior years shall not be used to offset Sponsor's Deficiency Contribution obligation.

The Declaration of Covenants and Restrictions that will encumber Phase I of the Community will be recorded in the Nassau County Clerk's Office prior to the Closing of Title to the first Residential Unit in the Phase I Condominium. A copy of the proposed Declaration of Covenants and Restrictions is included in Part II of the Offering Plan as Schedule J-2. Prior to or simultaneously with the Closing of Title to the first Residential Unit in the Condominium, the Sponsor will record a Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens which will subject the Residential Units in the Condominium to the Declaration of Covenants, Restrictions, Easements, Charges and Liens, and each Residential Unit Owner of a Residential Unit in the Condominium will become a Class A Member of the Association.

The Association shall be responsible for maintenance, repair and replacement (as necessary) of the Common Areas owned by the Association, all General Common Elements and General Residential Units' Limited Common Elements in the Condominium, and any Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration of each Condominium regime that will be subject to and encumbered by the Declaration of

Covenants and Restrictions. Purchasers should refer to Section V of the Offering Plan regarding the responsibilities of the Association.

The overall Community consisting of 100 Boardwalk Condominium, 140 Boardwalk Condominium, and The Boardwalk Long Beach Homeowners Association, Inc. is hereinafter referred to as the "Development" or "Community." The lands encompassing both Phases of the Community are hereinafter referred to as "The Properties." The Community is also part of an overall development to be known as The Boardwalk Long Beach, which overall development will consist of 100 Boardwalk Condominium, 140 Boardwalk Condominium, and The Boardwalk Long Beach Homeowners Association, Inc., as well as an adjacent multi-family rental property consisting of 238 rental apartments, to be owned and operated by an affiliated entity of the Sponsor, which multi-family rental property will be known as The Breeze.

The overall Community will contain a total of one hundred and ninety-four (194) Units consisting of one hundred and ninety-two (192) Residential Units and two (2) Non-Residential Units. Sponsor is required to amend the Offering Plan at least on an annual basis, until such time as all of the Residential Units in 100 Boardwalk Condominium have been sold and closed. Sponsor will include the status of 140 Boardwalk Condominium as part of such amendment(s). Once all of the Residential Units have been sold and Closed the Sponsor has no further obligation to amend the Offering Plan.

The membership of the Association will initially include the ninety-seven (97) Residential Units in 140 Boardwalk Condominium. Prior to, or simultaneously with the Closing of Title to the first Residential Unit in 140 Boardwalk Condominium, the Sponsor will record the Declaration of Covenants and Restrictions, which will subject the ninety-seven (97) Residential Units in 140 Boardwalk Condominium to the Declaration of Covenants and Restrictions, and each Residential Unit Owner in 140 Boardwalk Condominium will become a Class A Member of the Association. The Sponsor will be the Class B Member for the Unsold Residential Units in said Condominium. Prior to or simultaneously with the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium, the Sponsor will record a Supplemental Declaration of Covenants and Restrictions, which will subject the ninety-five (95) Residential Units in the Condominium to the Declaration of Covenants, Restrictions, Easements, Charges and Liens and each Residential Unit Owner of a Residential Unit in the Condominium will become a Class A Member of the Association, and the Sponsor will be the Class B Member for the Unsold Residential Units in the Condominium. In addition, the Sponsor will record a deed for any additional Common Area to be owned by the Association that may be located in the Condominium property.

As in the ownership of a private one (1) family home, the Purchaser of a Residential Unit in a Condominium (the "Residential Unit Owner") owns the Residential Unit Owner's Residential Unit in fee simple absolute and is entitled to exclusive possession of the Residential Unit Owner's Residential Unit. Each Purchaser will also own an undivided interest in and right to use the General Common Elements and an exclusive right to use the Limited Common Elements that pertain to the Residential Unit. All Residential Unit

Owners will own in common all exterior walls, roofs and all of the land and improvements located outside of the Residential Unit.

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

1. General Common Elements – General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units, the General Residential Units' Limited Common Elements, and the Individual Residential Unit's Limited Common Elements, (irrevocably restricted in use to specified Units or Unit Owners) and include without limitation the following:

a. The land on which the Condominium is erected and all other land within the boundaries of the Property;

b. All portions of the roof, including gutters and leaders, roof drains, parapets, copings and bulkheads, that are not restricted in use to a specific Unit or Units and intended for the common use and service of the Building;

c. The exterior façade and walls of the Building;

d. All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and are for the common use and service of the entire Building;

e. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are intended for the common use and service of the entire Building;

f. All improved and unimproved areas of the Condominium located outside the boundaries of a Unit intended for the common use and service of the Condominium;

g. All central and appurtenant installations for services such as power, light, telephone, television, cable, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, chutes, cables, and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces intended for common use and service of the entire Building;

h. All drainage systems, sewer equipment, sewers and/or storm sewer systems, sewer ejector pump, stormwater drainage lines, on-site drainage vaults, pipes, building drains, drywells, or detention tanks or

facilities (including vent lines, ejectors, interceptors, filters, and valves) downspouts, and roof drainage systems intended for the common use and service the entire Building;

i. All mechanical equipment, mechanical equipment rooms, ventilation system, compactor, refuse rooms, utility meters, storage areas, if applicable, intended for the common use and service of the entire Building;

j. The fire protection system, including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that service the entire Building;

k. All telephone and cable rooms, meter rooms, equipment rooms, elevator rooms, trash rooms, water service rooms, fire pump rooms and any other mechanical rooms or areas intended for the common use and service the entire Building;

l. All tanks, pumps, motors, fans, compressors, elevator equipment and control equipment intended for the common use and service the entire Building;

m. Any heating, cooling, ventilation, or other mechanical system located in the Common Elements intended for the common use and service the entire Building;

n. All electrical risers, feeders, lines, and equipment, including incoming services, main switchgear and distribution panelboards, conduits, wires, meters and transformers for the common use and service of the entire Building;

o. Any sprinkler system located in the Common Elements and intended for common use and services the entire Building;

p. Any elevator, elevator cab, elevator shaft, and all mechanical equipment servicing an elevator intended for the common use and service the entire Building;

q. Any plantings and landscaping intended for the common use of the entire Condominium Property;

r. Any pedestrian walkways and ramps intended for the common use and service of the entire Condominium Property;

s. Any fences and gates located on the Property intended for the common use of the entire Condominium Property;

t. All flues, chimneys and vent caps for the common use and service of the entire Building;

u. Any intercom system intended for the common use and service of the entire Building;

v. The sub-slab depressurization systems;

w. The generator; and

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

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

A. General Residential Units' Limited Common Elements - General Residential Units' Limited Common Elements are those shared by all Residential Unit Owners and include all portions of the Residential Area of the Condominium except for the individual Residential Units and the Individual Residential Unit's Limited Common Elements (irrevocably restricted in use to a specified Residential Unit(s) or Residential Unit Owner(s). Reference to Residential Area in the following list of the General Residential Units' Limited Common Elements excludes any portion of said area that is an Individual Residential Unit's Limited Common Element. The General Residential Units' Limited Common Elements include without limitation the following:

(i) Any portion of the roof, including gutters and leaders, roof drains, parapets, copings and bulkheads that are for the exclusive use of the Residential Area of the Condominium, except for any portion of the roof that is an Individual Residential Unit's Limited Common Element;

(ii) All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that are for the exclusive use of the Residential Area of the Condominium;

(iii) All parts of the exterior walls and facades that are for the exclusive use of the Residential Area of the Condominium;

(iv) Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are for the exclusive use of the Residential Area or Residential Units of the Building;

(v) All improved and unimproved areas of the Condominium located outside the boundaries of the Units that are for the exclusive use of the Residential Area of the Condominium;

(vi) All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, cable, gas, hot and cold water and heat (including all boilers, pipes, cooling towers, condensers, electric and hot water cabinet unit heaters, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that are for the exclusive use of the Residential Area or two (2) or more Residential Units in the Condominium;

(vii) All drainage systems, sewer equipment, sewers and/or storm sewer systems, sewer ejector pump, pipes, building drains, drywells, or detention tanks or facilities (including vent lines, ejectors, interceptors, filters and valves) downspouts, and roof drainage systems intended for the exclusive use of the Residential Area of the Condominium;

(viii) All mechanical equipment, equipment rooms, machine rooms, telephone and cable rooms, meter rooms, utility meters, storage areas and any other mechanical rooms or areas, if applicable, that are for the exclusive use of the Residential Area of the Condominium;

(ix) Any heating, cooling or other mechanical system located in the Common Elements that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(x) All electrical risers, feeders, lines and equipment, including incoming services, main switchgear and distribution panel boards, conduits, wires, meters, and transformers for the exclusive use and service of the Residential Area of the Condominium;

(xi) All lighting and lighting fixtures intended for the exclusive use and service of the Residential Area of the Condominium;

(xii) All tanks, pumps, motors, fans, compressors, cooling towers, condensers and control equipment that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(xiii) Any intercom system that is for the exclusive use of the Residential Units;

(xiv) The elevators, elevator cabs, elevator shafts, and elevator machine room that are for the exclusive use of the Residential Area of the Condominium;

(xv) The fire protection system including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that are for the exclusive use of the Residential Area of the Condominium;

(xvi) Any sprinkler system located in the Common Elements that are for the exclusive use of the Residential Area of the Condominium;

(xvii) Any compactor and trash chutes that are for the exclusive use of the Residential Area of the Condominium;

(xviii) Any general storage area that is to be used by the Condominium for the storage of normal building items for the exclusive use of the Residential Area of the Condominium;

(xix) The mailroom located on the first floor level and any mailboxes located in the mailroom intended for the exclusive use of the Residential Units;

(xx) Any refuse disposal chutes and refuse disposal room intended for the exclusive use of the Residential Units;

(xxi) The mail room located on the first-floor level;

(xxii) The hub located on the first-floor level;

(xxiii) The training room located on the first-floor level;

(xxiv) The gym located on the first-floor level;

(xxv) The saunas located on the first-floor level;

(xxvi) The administration office located on the first-floor level;

(xxvii) The conference room located on the first-floor level;

(xxviii) The common roof terrace;

(xxix) All other parts of the Residential Area of the Condominium and all apparatus and installations existing in the Residential Area of the Condominium or Property for common use or necessary or convenient exclusively to the existence, maintenance, or safety of the Residential Area and/or Residential Unit Owners of the Condominium.

B. Individual Residential Unit's Limited Common Elements – Individual Residential Unit's Limited Common Elements are irrevocably restricted in use to a specific Residential Unit or specific Residential Units. Approximate square footage of each Residential Unit's Limited Common Elements is included in Schedule A set forth as Section VI of the Plan. Following are descriptions of irrevocably restricted Individual Residential Unit's Limited Common Elements:

(i) Any balcony and/or terrace that is appurtenant to a Residential Unit and is for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(ii) Any equipment, landscaping, flooring, fencing located in or on a balcony and/or terrace for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(iii) Any hot water tank, boiler, air conditioning condenser, fireplace, heat pumps and any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements; and

(iv) All apparatus, installations, systems equipment, and facilities in the Common Elements no matter how classified (including pipes, wire ducts, vents, cables, conduits, and lines) which will serve or benefit a Residential Unit exclusively.

C. Board of Directors' Repair and Maintenance Obligations

(i) The repair and maintenance of the General Common Elements and General Residential Units' Limited Common Elements of the Condominium have been delegated to and shall be the obligation of The Boardwalk Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. In addition, the repair and maintenance of any Individual Residential Unit's Limited Common Elements that is the obligation of the Condominium pursuant to the Declaration of Condominium and By-Laws that have been delegated to the Association shall be the

obligation of The Boardwalk at Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. Any and all costs associated therewith shall be included in the Common Expenses of the Association to be paid by the Unit Owners pursuant to the Declaration of Covenants and Restrictions and By-Laws of the Association. Any rights and obligations contained in the Declaration of Condominium that have been delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. shall become the affirmative obligation of the Board of Managers to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations. In such an event the costs and expenses therewith shall then be limited to the Unit Owners of 100 Boardwalk Condominium as a Common Charge of the Unit Owners of 100 Boardwalk Condominium.

(ii) All repairs and maintenance and costs and expenses associated with an Individual Residential Unit's Limited Common Elements that have not been delegated to the Condominium or the Association shall be the sole obligation of the Residential Unit Owner whose Residential Unit is a Limited Common Element of said Residential Unit.

D. Provisions Applicable to All Common Elements

(i) The Common Elements shall remain undivided, and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

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

(iii) The Percentage of Common Interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to the Declaration of Condominium.

(iv) The Percentage of Common Interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

A Residential Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common

Charges as well as monthly Maintenance Charges of the Association may commence with the Closing of Title to the first Residential Unit which is expected to occur on or about March 1, 2024, subject to circumstances beyond Sponsor's control. However, Purchasers should refer to Section XXI of the Offering Plan as to the right of the first Board of Managers and Board of Directors to commence the collection of Common Charges and Maintenance Charges at a subsequent date. Until title to a Residential Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and Special Assessments as are assessed by the Board of Managers on Residential Units, built or unbuilt, to which title has not passed. See Section V regarding Sponsor's Deficiency Contribution obligation for Common Maintenance Charges for Unsold Residential Units applicable to the Association. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges and Common Maintenance Charges associated with the Residential Unit. See Article VI of the Condominium By-Laws set forth as Schedule I in Part II of the Plan.

A Residential Unit Owner, upon acquiring title to the Residential Unit, will be obligated to comply with the Declaration of Condominium, Condominium By-Laws, and Rules and Regulations and any other requirements of the Board of Managers of the Condominium. In addition, the Residential Unit Owners will be obligated to comply with the Declaration of Covenants and Restrictions, Association By-Laws, and Rules and Regulations, and any other requirements of the Board of Directors of the Association.

Residential Units can be sold by a Residential Unit Owner, provided that the Residential Unit Owner is not in arrears on the payment of Condominium Common Charges and/or Association Common Maintenance Charges (except where the payment of such unpaid Common and Maintenance Charges are paid by the Purchaser or provided for out of the proceeds of the sale), subject to restrictions contained in the mortgage, if any, covering their Residential Unit. A Residential Unit Owner is free to make a gift of the Residential Unit during the Residential Unit Owner's lifetime or to devise the Residential Unit by will, or to have it pass by intestacy without any restriction. No Residential Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Each Residential Unit Owner can sell their Residential Unit to whomever they desire.

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Residential Unit as a result of their inability to obtain a mortgage, the Deposit plus the cost of any Extras as provided for in Special Risk No. 16, will be retained by Sponsor as liquidated damages.

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

Primary responsibility for operating the Condominium will rest with the Board of Directors of the Association as the designated manager of the overall community. In the event the Association fails to meet or affirmatively relinquishes it obligations the responsibility of operating the Condominium shall become the obligation of the Board of Managers. For information concerning Sponsor's initial control of Board of Directors and the Board of Managers, see Special Risk No. 6, Section V and Section XXV of the Offering Plan.

Each Residential Unit Owner is solely responsible for all maintenance and repair to the interior of their Residential Unit. All snow removal within the Community will be the responsibility of the Homeowners Association.

All structural repairs and replacements to any balcony and/or terrace, as applicable, which are an Individual Residential Unit's Limited Common Element will be the responsibility of the Association on behalf of the Condominium and a Common Maintenance Charge of the Association. All general maintenance and repairs to a porch and/or balcony, as applicable, that is a Limited Common Element, including cleaning and all repairs not structural in nature shall be the responsibility of the Residential Unit Owner whose porch, and/or balcony is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit.

All repairs, maintenance and any replacement of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Residential Unit exclusively shall be the responsibility of the Association for such equipment, services, etc. All costs associated therewith shall be the obligation of the individual Residential Unit Owner who is served by or exclusively benefits from such equipment, services, etc. The Association shall bill the individual Residential Unit Owner and such amount shall be payable to the Association in addition to any Condominium Common Charges and Association Maintenance Charges due by said Residential Unit Owner.

Each Residential Unit Owner, upon obtaining title, will automatically have one (1) vote at all Condominium meetings of the Residential Unit Owners for each Residential Unit owned by the Residential Unit Owner. In addition, each Member of the Association will

only be entitled to one (1) vote at all Association meetings regardless of the number of Residential Units owned by such Member except as provided for in the election of Directors as described in Article VIII, Section 2 of the By-Laws of the Association.

Each Residential Unit will be taxed separately for real estate tax purposes and each Residential Unit may be separately mortgaged. Therefore, no Residential Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Residential Unit. In addition, pursuant to the Federal Tax Cuts and Jobs Act, the real estate taxes payable by a Residential Unit Owner which are assessed against their Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal governmental taxing authority, are a proper deduction in connection with Federal and State Income Taxes payable by such Residential Unit Owner to a maximum of $10,000. In addition, provided the Residential Unit will be the Purchaser's principal residence, a Residential Unit Owner may also deduct the interest on a mortgage, to a maximum mortgage of $750,000 they procure to finance the purchase of their Residential Unit for income tax purposes to the extent allowed by law. See Section XXV of the Offering Plan.

Fire and liability insurance covering the Common Elements are included with other items as part of Common Charges and Common Maintenance Charges of the Condominium and Association. Fire and liability insurance for the Purchaser's personal effects and the interior of the Residential Unit should be carried by the individual Purchaser. Common Charges are levied in proportion to the interest in the "Common Elements" appurtenant to each Residential Unit. For possible increases in Common Charges upon default in payment by a Residential Unit Owner see Section XXV of the Offering Plan. Each Residential Unit Owner is responsible for the cost of their own interior repairs and decoration in their Residential Unit after Closing.

Sponsor will endeavor in good faith to sell the Residential Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (15% x 95 = 15 Residential Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. Purchasers should further note that there is no provision in the By-Laws that requires that a majority of the Managers of the Board of Managers be owner-occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Community should be managed as a result of their different reasons for purchasing, *i.e.*, purchasing as a Residential Unit to live in as opposed to purchasing as an investment. See Section XXI of the Offering Plan.

The price of the Residential Units will include only the appliances and fixtures detailed in the Description of Property Report contained in Part II of the Plan. Installation and the cost of any upgraded appliances, upgraded fixtures, or appliances or finished basements not provided is the sole responsibility of each Residential Unit Owner.

The prices for the Residential Units are set forth in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR ALONE AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. THE PRICE OF THE RESIDENTIAL UNIT INCLUDES THE COST OF MANDATORY MEMBERSHIP IN THE HOMEOWNERS ASSOCIATION.

The Condominium will include a common roof terrace (the "Roof Terrace"). In addition, the Development will include a two (2) level parking garage ("Garage"), which Garage will be owned and maintained by The Boardwalk Long Beach Homeowners Association. The Condominium building will also include a gym, yoga studio, administrative offices, and saunas. The foregoing are all collectively referred to as the Amenity Rooms, which Amenity Rooms will be maintained by The Boardwalk Long Beach Homeowners Association, as more fully discussed in Section V of the Plan. The Building comprising Phase I, to be known as 140 Boardwalk Condominium, will include a card room, mail room, and dog wash, and such amenities are collectively referred to as the 140 Boardwalk Amenities Rooms. The Amenity Rooms located in 100 Boardwalk Condominium and the 140 Boardwalk Amenity Rooms will be available to residents of both Condominiums for their use. In addition, the Association property includes a building located in between Tower A and Tower B, which building connects the two Towers and includes a main lobby, lounge, and club room. The Common Area of the Association will also include a swimming pool with lap lanes, sun shelf, conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Unit Owners, residentials tenants, and their guests that are part of the Common Area of the Homeowners Association. The foregoing are all collectively referred to as the Outdoor Amenities. The Community will also include a Sanitary Sewer Collection System as described in the Description of Property Report in Part II of the Offering Plan. The Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System (i.e., all of the amenities) are expected to be completed and operational by August 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. As a result, the anticipated date of completion of the Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System is subject to change.

This Offering Plan contains all of the material terms of this transaction as it relates to the Condominium along with mandatory membership in a Homeowners Association. Parts I and II along with Parts A, B, C and D of the Exhibits submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection by prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium

and Association site whenever the onsite sales office is open and at the office of the Sponsor or Selling Agent, as well as the Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005.

There are no restrictions on who may purchase or occupy a Residential Unit in the Condominium. Each Residential Unit can sell the Residential Unit Owner's Residential Unit to whomever the Residential Unit Owner desires.

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

II. DEFINITIONS

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

1. "100-140 Boardwalk Parcel" – The parcel of land comprising the Development, to be developed with two (2) towers each comprising a separate condominium.

2. "140 Boardwalk Condominium" – The adjacent condominium located on the Phase I property containing ninety-seven (97) Residential Units and two (2) Non-Residential Units.

3. "140 Boardwalk Amenity Rooms" – The amenity rooms located in 140 Boardwalk Condominium for use by the Residential Unit Owners and residents, guests, and tenants of 100 Boardwalk Condominium and Residential Unit Owners, residents, guests, and tenants of 140 Boardwalk Condominium. The 140 Boardwalk Amenity Rooms amenity rooms shall include a card room, mail room, and dog wash.

4. "Amenity Rooms" – The amenity rooms located in 100 Boardwalk Condominium for use by the Residential Unit Owners and residents, guests, and tenants of 100 Boardwalk Condominium and Residential Unit Owners, residents, guests, and tenants of 140 Boardwalk Condominium. The Amenity Rooms shall include a gym, yoga studio, administrative offices, and saunas.

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

6. "Association" – The Boardwalk Long Beach Homeowners Association, Inc., a Not-for-Profit Corporation organized for the maintenance and repair of the Association Common Area Facilities, the Common Elements in 100 Boardwalk Condominium, the Common Elements of any other Condominium that will be subject to the Declaration of Covenants, Restrictions, Easements, Charges, and Liens.

7. "Association Common Areas" or "Association Common Properties" – The land and improvements which will be owned by the Association.

8. "Association Common Expense" – The expenses (including reserves) which are incurred or assessed by the Association in fulfilling its lawful responsibilities (sometimes referred to as "Assessment").

9. "Association Common Interest" – The common interest each Residential Unit has in the Association. The Association Common Interest of a Residential Unit in the Association will automatically be adjusted at such

time as a Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens has been recorded in the Nassau County Clerk's Office that has the effect of subjecting both Condominiums to the original Declaration of Covenants and Restrictions and a closing of title to a Residential Unit has occurred in the Condominiums located in both Phases of the Development.

10. "Association Parcel" – The collective parcels of land that are located within the overall Development, to be developed with two (2) towers to be known as Tower A and Tower B, containing for-sale Condominium Units in two (2) Condominiums to be known as 100 Boardwalk Condominium and 140 Boardwalk Condominium, respectively, and the Association Common Areas.

11. "Association Rules and Regulations" – The Rules and Regulations of the Association contained in Exhibit C of the Declaration of Covenants and Restrictions as the same may be amended, altered, waived or added to by the Board of Directors of the Association.

12. "Board of Directors" – The governing body of the Homeowners Association responsible for its affairs.

13. "Bicycle Storage Area" – Designated Area for the storage of bicycles to be utilized by the Residential Unit Owners.

14. "Board of Managers" – The governing body of the Condominium responsible for its affairs.

15. "Board Member" – Each individual representative elected, designated or appointed to the Board of Managers. The Board Members are described as follows:

    a. "Residential Unit Owners' Board Members" – The Board Members representing the Residential Unit Owners.

    b. "Non-Residential Unit Board Member" – The Board Member representing the Non-Residential Unit Owner(s) of the Non-Residential Unit(s) located in 140 Boardwalk Condominium.

16. "Breeze Parcel" – The parcel of land that is located east of the overall Development, to be developed with two (2) towers containing rental apartments.

17. "Building" – The one (1) building including the Units and Common Elements of the Condominium.

18. “By-Laws” – The document governing the operation, use and occupancy of the Condominium, a copy of which is annexed to the Declaration of Condominium as Schedule C.

19. “Cabanas” – The cabanas located within the Outdoor Amenities that are part of the Association, to be licensed pursuant to a License Agreement.

20. “Cabana License Expense” – The proceeds of the initial License Agreement for a Cabana to be paid to Sponsor.

21. “City” – The City of Long Beach.

22. “Common Charges” – Each Unit Owner’s proportionate share of Common Expenses of the Condominium.

23. “Common Elements” – All portions of the Condominium, other than the Units. The Common Elements are divided as follows:

    a. General Common Elements, which are Common Elements shared by all Unit Owners.

    b. General Residential Units’ Limited Common Elements which are Common Elements for the exclusive use of all Residential Unit Owners.

    c. Individual Residential Unit’s Limited Common Elements which are the Common Elements for the exclusive use of an individual Residential Unit Owner or Owners.

24. “Common Expenses” – (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements and to any Limited Common Element that have been delegated to the Condominium or the Association as a Common Expense; (b) costs, expenses and amounts (including reasonable legal fees and disbursements, court costs and all other litigation expenses) paid, payable or incurred to perform, observe, enforce, uphold, protect, defend, maintain and collect sums payable under a right, remedy obligation, requirement, agreement or indemnity given in or pursuant to the terms of the Declaration of Condominium, the Condominium By-Laws, and any Rules and Regulations governing the Condominium; and (c) all sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

25. “Common Maintenance Charges” or “Maintenance Charges” – Each Unit Owner’s proportionate share of the expenses of the Association.

26. “Community,” “Development,” or “Properties” – As used herein includes 100 Boardwalk Condominium, 140 Boardwalk Condominium, and The Boardwalk Long Beach Homeowners Association. The overall Community is known as The Boardwalk Long Beach.

27. “Condominium” – 100 Boardwalk Condominium which includes the Residential Unit Owners, the Residential Units and the Common Elements and as the term Condominium issued in Article 9-B of the Real Property Law of the State of New York.

28. “Condominium Act” – Article 9-B of the Real Property Law of the State of New York.

29. “Condominium Documents” – The Declaration of Condominium, the By-Laws, the As-Built Floor Plans of the Residential Units and the Condominium Unit Designation Map (as provided in the Condominium Act) as the same may be amended from time to time.

30. “Condominium Property” or “Property” – All of the land and improvements contained within the property described in Exhibit A of the Declaration of Condominium.

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

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

33. “Declaration of Covenants and Restrictions” – The Declaration of Covenants, Restrictions, Easements, Charges and Liens recorded or to be recorded among the land records of the County Clerk of Nassau County, New York which does or will encumber the Association Common Areas, 140 Boardwalk Condominium, and which shall be amended to include 100 Boardwalk Condominium, and as said document may from time to time be further amended.

34. “Deficiency Obligation” – Sponsor’s obligation for Maintenance Charges of the Association for Unsold Residential Units based upon the difference between the actual operating costs of the Association, including reserves

on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Full Maintenance Charges levied on the Residential Unit Owners who have closed title on their Residential Unit.

35. "Directors" – One (1) of the individual representatives of the Board of Directors of The Boardwalk Long Beach Homeowners Association.

36. "First Annual Meeting" – The date of the first annual meeting of the Unit Owners.

37. "First Board of Managers" – The initial Board Members of the Board of Managers.

38. "Full Maintenance Charges" – Maintenance Charges paid by Residential Unit Owners who have closed title to their Residential Unit based upon the Association Common Expenses and the Association budget in Schedule C of the Offering Plan applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General Common Elements for any condominium regime (including 100 Boardwalk Condominium) that is subject to the Declaration of Covenants and Restrictions, any Limited Common Elements the Association is required to repair and maintain for any condominium regime (including 100 Boardwalk Condominium) as provided for in the respective Declaration of Condominium of each condominium regime subject to the Declaration of Covenants and Restrictions, which Residential Units are completed or not, and any other Association Common Expenses required by the Association applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions.

39. "Garage" – two (2) level garage for parking.

40. "Garage Area" – The area of the Association consisting of a two (2) level Garage for parking.

41. "Grantee" – The person to whom an interest in real property is conveyed.

42. "Grantor" – The person conveying an interest in real property.

43. "Institutional Lender" – A bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above that issues a first mortgage.

44. “Institutional Mortgage” – A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above.

45. “Licensor” – The Board of Directors of the Association who have entered into a License Agreement with a Residential Unit Owner in the Condominium for a Parking Space and/or Cabana.

46. “Licensee” – A Unit Owner in the Condominium who has entered into a License Agreement with the Board of Directors of the Association for a Parking Space and/or Cabana.

47. “License Agreement” – The agreement entitling the Licensee the exclusive right to use a Parking Space and/or Cabana during the term of the agreement.

48. “License Fee” – The monthly fee charged for the costs associated with the Parking Spaces and/or Cabanas to be paid by each Unit Owner who has entered into a License Agreement for a Parking Space and/or Cabana. The License Fee is in addition to the Common Charges and/or Maintenance Charges and any Special Assessments for the Unit.

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

50. “Manager” – One (1) of the individual representatives of the Board of Managers of the Condominium.

51. “Maximum Deficiency Contribution Obligation” – Sponsor’s maximum Deficiency Obligation in an amount no greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions.

52. “Member” – Each holder of a membership interest in the Association as set forth in the Declaration of Covenants and Restrictions. The membership shall consist of the following two (2) classes:

    a. Class A Member – The owner of a Residential Unit subject to the Declaration of Covenants and Restrictions.

b. Class B Member - The Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions.

53. "Officer" – One (1) of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium including the President, Vice President, Secretary and Treasurer.

54. "Outdoor Amenities" – The swimming pool with lap lanes, sun shelf, and conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Unit Owners, residentials tenants, and their guests that are part of the Common Area of the Homeowners Association.

55. "Parking Spaces" – The Parking Spaces located in the garage located underneath the Condominium that is part of the Association, to be licensed pursuant to a License Agreement.

56. "Parking Space License Expense" – The proceeds of the initial License Agreement for a Parking Space to be paid to Sponsor.

57. "Percentage of Common Interest" – The proportionate, undivided interest each Unit Owner has in the Common Elements of the Condominium.

58. "Phase I" – The portion of the Community which will include the Units in 140 Boardwalk Condominium and the portion of the Association Common Area located therein.

59. "Phase II" – The portion of the Community which will include the Residential Units in 100 Boardwalk Condominium and the portion of the Association Common Area located therein.

60. "Residential Area" – The area of the Condominium consisting of the Residential Units and General Residential Units' Limited Common Elements and Individual Residential Unit's Limited Common Elements.

61. "Residential Units' Exclusive Cost" – Any common expense of the Condominium that is to be charged solely to the Residential Units based upon the pro-rata percentage of the square footage of an individual Residential Unit's square footage as reflected in Schedule B of the Declaration to the overall square footage of all the Residential Units of the Condominium as reflected in Schedule B of the Declaration of Condominium.

62. “Right of First Refusal” – The right of the Board of Directors of the Association or the Board of Managers of the Condominium (in the event the Association fails to meet its obligations or affirmatively waives such obligations) to match a bona fide offer of a sale or lease of a Residential Unit as provided for in the By-Laws.

63. “Rules and Regulations” – The Rules and Regulations of the Condominium contained in Article VIII of the By-Laws as the same may be amended, altered, waived, or added to by the Board of Directors of the Association or the Board of Managers of the Condominium (in the event the Association fails to meet its obligations or affirmatively waives such obligations).

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

65. “Special Meeting” – A special meeting of the Unit Owners called pursuant to Article II, Section 10 of the By-Laws.

66. “Sponsor” – Isla Blu at Long Beach LLC, a Delaware limited liability company and its successors, assigns, and designees.

67. “Sponsor Control Period” – The period of time the Sponsor has the right to retain control of the Board of Managers of the Condominium.

68. “Supplemental Declaration of Covenants and Restrictions” – The Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens which is to be recorded in the Nassau County Clerk’s Office in order to bring the Condominium within the scheme of the Declaration of Covenants and Restriction.

69. “Tower A” – The building located in Phase II to be called 100 Boardwalk Condominium and to be developed as a condominium consisting of ninety-five (95) dwelling units, which Condominium is the subject of this Offering Plan.

70. “Tower B” – The building located within the Development in Phase I to be called 140 Boardwalk Condominium, and to be developed as a condominium consisting of ninety-seven (97) dwelling units and two (2) non-residential units, or any other use permitted by the City of Long Beach, including rentals.

71. “Unit” – One (1) of the Units in the Condominium. The Units are categorized as follows:

a. “Residential Unit” – One (1) of the Units designated as Residential Units in Schedule B of the Declaration, for residential use only.

b. “Non-Residential Unit(s)” – A Unit located in 140 Boardwalk Condominium which has been designated as a Non-Residential Unit in Schedule B of the Declaration of Condominium of such Condominium, to be used for any use permitted by the City of Long Beach pursuant to applicable zoning.

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

As used herein the term “Unit” shall include all the Units in the Condominium.

72. “Unit Owner” – A Unit Owner includes all the Unit Owners in the Condominium. Unit Owners are described as follows:

a. “Residential Unit Owner” – The Owner of a Residential Unit.

b. “Non-Residential Unit Owner” – The Owner of a Non-Residential Unit located within 140 Boardwalk Condominium.

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

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III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location and Acreage

The Community is situated in the City of Long Beach, Nassau County, New York. It is bordered on them south by the Long Beach boardwalk (a City owned and maintained boardwalk) and the Atlantic Ocean, on the west by Association Common Areas and Riverside Boulevard, on the east by 140 Boardwalk Condominium and a proposed ten-story multi-family rental building consisting of 238 rental apartments and to be owned and operated by an affiliated entity of the Sponsor, which multi-family rental property will be known as The Breeze, and on the north by Broadway (a City owned and maintained roadway). The property was initially developed prior to 1914 and uses have included apartment buildings, bath houses, a theater, a dance hall, restaurants, and a bowling alley. No industrial uses, dry cleaning operations, gas stations, auto repair, or other uses that might result in significant environmental conditions have been identified. The buildings on the property were gradually removed starting in 1954 and by 1994 the property was essentially vacant. The property was used to store sand following Superstorm Sandy and has been used for incidental parking thereafter. The overall Phase II property consists of approximately 0.597 acres. The overall Community is expected to total two (2) Phases as follows:

Phase I	97 Residential Units and 2 Non-Residential Units in 140 Boardwalk Condominium
Phase II	95 Residential Units in 100 Boardwalk Condominium

Total Both Phases – 192 Residential Units and 2 Non-Residential Units

Phase II will be located on the property adjacent to Phase I and will be connected to 140 Boardwalk Condominium via the structure containing certain of the Amenity Rooms to be owned and maintained by The Boardwalk Long Beach Homeowners Association, Inc.

The Residential Units in both Phases of the Development will become Members of The Boardwalk Long Beach Homeowners Association, Inc. (the “Association”). The Non-Residential Units located in 140 Boardwalk Condominium will not become Members of the Association.

Sponsor anticipates closing the first Residential Unit in Phase II on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor’s control such as weather conditions, pandemic, labor strikes, material shortages, force majeure acts of God and anticipated rate of sales.

Topographical Features

The site consists of generally level land with moderate changes in elevations.

The current Flood Insurance Rate Map (FIRM) for the City of Long Beach, published by the Federal Emergency Management Agency (FEMA), is Community Panel No. 36059C0308G, effective April 5, 2023. The site is within Flood Hazard Zone VE, "areas subject to inundation by the 1-percent-annual-chance flood event (100-year flood) with additional hazards due to storm-induced velocity wave action." The Base Flood Elevation (BFE) for the site is 15. The Building Code of New York State and the City of Long Beach Building Code requires the bottom of the lowest horizontal structural member of the lowest floor be 2 feet above the BFE. Therefore, the Design Flood Elevation (DFE) for the proposed building is elevation 17. The proposed elevation of lowest floor is 20 and therefore complies with requirements. In addition, prior to the Closing of Title to the first Residential Unit, the Condominium will have in place a flood insurance policy through the National Flood Insurance Program ("NFIP") Flood Insurance Residential Community Building Association Policy ("RCBAP") Program, which policy complies with all FEMA flood insurance requirements. A Letter of Map Revision (LOMR) application was submitted by the Sponsor to FEMA requesting that the flood zone designation for the site be changed to AE 15. FEMA issued a LOMR Determination on October 5, 2022, confirming that the requested revision to the map is warranted, and the revision was effective as of April 5, 2023.

Soil Remediation and Sub-Slab Depressurization Systems

A Phase I Environmental Site Assessment and Remedial Plan for the property dated March 2020 was prepared by FPM Group (FPM) and submitted to the Nassau County Department of Health (NCDOH) indicating that the property was underlain by up to 14 feet of fill material consisting of sand with construction and demolition (C&D) materials, including concrete, brick, asphalt, and rock. The fill contained some semi volatile organic compounds (SVOCs) and metals that, in some cases, exceeded the New York State Department of Environmental Conservation (NYSDEC) Soil Cleanup Objectives (SCOs) for the planned use of the property (restricted residential use). The fill was not impacted by any volatile organic compounds (VOCs), pesticides, or polychlorinated biphenyls (PCBs) above the SCOs for the property use. Native soil that consists of sand with natural materials was present beneath the fill. The native soil was tested and none of the detections exceeded the SCOs for the property use. Groundwater testing performed at multiple locations on the property revealed no issues of concern. Soil vapor sampling data from multiple locations on the property was evaluated with respect to NYSDOH guidance and it was concluded that soil vapor intrusion does not present a concern. Additional soil and soil vapor testing were performed pursuant to an October 21, 2020 work plan prepared by FPM and approved by NCDOH on November 4, 2020. The investigation procedures and results are documented in a December 28, 2020 Soil and Soil Vapor Investigation Report and Remedial Plan prepared by FPM and submitted to the NCDOH. The Remedial Plan included measures to remove and properly dispose of all materials that exceeded the SCOs for the planned use of the property and installation of a vapor barrier beneath the building. The NYSDEC subsequently took jurisdiction over the remedial activities involving soil. Detailed procedures for soil management and disposal were included in an October 2021 Remedial Plan for the property prepared by FPM and approved by the

NYSDEC on October 25, 2021. This Remedial Plan was successfully implemented during construction with oversight by FPM and the NYSDEC, and resulted in removal of all the materials that exceeded the SCOs for the property use. Post-excavation testing confirmed that the remaining soil, which is nearly entirely native, does not exceed any of the SCOs for the use of the property. The remedial procedures and results were documented in an August 2022 Remedial Report prepared by FPM and certified by a New York State-licensed Professional Engineer (PE). The Remedial Report was approved NYSDEC by letter dated October 3, 2022.

Sub-slab depressurization systems (SSDSs) and related appurtenances have been installed beneath the on-grade floor of the lower level of the parking garage beneath the buildings solely as a precautionary measure to mitigate any potential soil vapor intrusion (SVI), if present. Each SSDS includes sub-slab slotted Schedule 40 piping that is set in a bed of gravel and connected to a discharge stack of solid Schedule 40 PVC piping that exits the building above the roof. An electric fan (Fantech Rn3 inline radon fan) is planned to be installed in each stack above the roof level and is designed to operate 24/7 with no maintenance. These fans have a 5-year warranty for any factory defect in workmanship or material. Maintenance requirements for SSDSs are minimal and include an annual inspection and screening of the effluent. Monitoring points are installed in the on-grade garage floor to allow for pressure testing and SVI testing. SVI testing will be performed following building construction to determine is SSDS operation is necessary. If SVI is not present following completion of building construction, SSDS operations may be terminated with NCDOH approval. If necessary, the Association will contract with a qualify environmental/engineering consulting firm for SSDS operation, inspections, and maintenance in accordance with the October 5, 2021 Maps of the Condominiums Phases I and II approved by the NCDOH, with the results reported to the NCDOH. Purchasers should refer to the Description of Property Report set forth in Part II of the Offering Plan.

Parking Facilities

The overall Community will include a two (2) level Parking Garage below the Condominium, the Association Common Areas, and, if constructed, the Subsequent Phase of the Condominium. The Parking Garage will be owned and maintained by the Association and will include a total of four hundred and sixty-seven (467) parking spaces (“Parking Spaces”), including nine (9) ADA-compliant Parking Spaces. The Parking Garage will include three hundred and sixty-two (362) standard Parking Spaces, eighty-six (86) tandem Parking Spaces, four (4) compact Parking Spaces, and nine (9) ADA-compliant Parking Spaces. Twenty-two (22) of the Parking Spaces will be equipped with charging stations for electric vehicles. See Schedule G-3 for a copy of the Parking Garage Plan. The Parking Spaces located within the Parking Garage will be subject to License Agreements between the Board of Directors of the Association, as Licensor, and Unit Owner as Licensee. Each Residential Unit Owner will be entitled to enter into a License Agreement for one (1) Parking Space at no additional Parking Space License Expense. Additional Parking Spaces are available to Purchasers of a Residential Unit subject to a License Agreement for an additional Parking Space, at the

Parking Space License Expense reflected in Schedule A-1. The Unit Owner of a Non-Residential Unit in 140 Boardwalk Condominium shall have the right to enter into a License Agreement for multiple Parking Spaces located in the Parking Garage. The ADA-compliant Parking Spaces will be licensed only to Purchasers who themselves or a member of their family who is residing in the Residential Unit has a vehicle with handicapped license plates or a permanent handicapped permit. In the event a Residential Unit Owner in the Condominium or a member of their family residing in the Residential Unit becomes handicapped and thereafter acquires handicapped plates for his or her vehicle, and a different Residential Unit Owner is the then Licensee of an ADA-compliant Parking Space, and said Residential Unit Owner no longer has a handicapped license plate or permanent handicapped permit, the Residential Unit Owner who acquires handicapped plates for his or her vehicle has the right to demand that the Residential Unit Owner of the Residential Unit to which the ADA-compliant Parking Space is licensed trade or swap the ADA-compliant Parking Space for which their Residential Unit is the then Licensee for the non-handicapped Parking Space then licensed to the Residential Unit Owner who requires an ADA-compliant Parking Space. The Residential Unit Owner of the Residential Unit which is the Licensee of the ADA-compliant Parking Space must comply with the aforementioned demand upon thirty (30) days' written notice. In the event a Residential Unit Owner who is the Licensee of an ADA-complaint Parking Space sells their Residential Unit to a subsequent purchaser which subsequent purchaser does not themselves have nor does a member of their family who is residing in the Residential Unit have a vehicle with handicapped license plates or a permanent handicapped permit, then such subsequent purchaser, who upon Closing of Title to the Residential Unit shall become a Residential Unit Owner, will be subject to the same requirements regarding the trade or swap of the License Agreement for the ADA-compliant Parking Space as discussed herein. See Schedule O in Part II of the Plan for a copy of the Parking Space License Agreement. See Section XIII for additional details regarding the Parking Spaces. The Community will also include six (6) parking spaces at the plaza level outside of the Amenity Rooms, which parking spaces will be available for temporary drop-off and pick-up only by residents and their guests on a first-come, first-served basis. On-street parking will not be permitted along the roadways within the Condominium.

All repair, maintenance, and replacement (as necessary) of the Garage and all Parking Spaces within the overall Community will be the responsibility of the Association.

Cabanas

The Association Property includes nine (9) private cabanas, located adjacent to the swimming pool within the Outdoor Amenities, which will be subject to a License Agreement between the Board of Directors of the Association as Licensor, and the Residential Unit Owner as Licensee. Cabanas will include an outdoor television, mini-refrigerator, and an ice maker. See Schedule A-2 for a list of the Cabana License Expenses and Monthly License Fees and Schedule P in Part II of the Plan for a copy of the Cabana License Agreement. See Section XIV for additional details regarding the Cabanas.

All structural repair and maintenance of all Cabanas within the overall Community will be the responsibility of the Association. All repair, maintenance, and replacement of any fixtures or appliances within the Cabanas shall be the obligation of the Licensee of each Cabana.

Improvements General Description

100 Boardwalk Condominium, as fully developed, will consist of ninety-five (95) Residential Units located in one (1) Building as set forth in the Plot Plan attached hereto in Part II of the Plan. There are a number of different model types of Residential Units. The layouts and variations of the Residential Units and a full description of the rooms for each model type are set forth in the Description of Property Report in Part II of the Plan.

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

The Units, the Building containing them, and all other improvements will comply with all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction and the Sponsor and all other persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules, regulations and other governmental requirements pertaining thereto including but not limited to the Building Code of the City of Long Beach.

Purchasers are advised that in New York, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent Certificate of Occupancy ("PCO") covering the entire building but with only a temporary Certificate of Occupancy ("TCO"), and sometimes with several successive temporary Certificates of Occupancy. Certificates of Occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. The TCOs and PCOs are issued by the City of Long Beach Building Department. A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Residential Units. In the City of Long Beach, it is common for sponsors to commence Residential Unit closings when some or all Residential Units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the entire building within two years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire building and shall exercise its best efforts to obtain the PCO within such two (2) year period while keeping the TCO current. Residential Unit Owners and the Board of

Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit requiring Building Department approval prior to the issuance of a Permanent Certificate of Occupancy or renewal of a temporary Certificate of Occupancy.

The price of the Residential Units will include only the appliances and fixtures detailed in the Description of Property Report contained in Part II of the Plan. All Residential Units will contain washer/dryers and dishwashers. Installation and the cost of any extras, upgraded appliances, upgraded fixtures or appliances or fixtures not provided is the sole responsibility of each Residential Unit Owner.

Construction Data for Residential Units and Common Elements

The Residential Units and Common Elements will be constructed substantially in the manner set forth in the Building Plans filed with the City of Long Beach, which Plans will not be changed so as to adversely affect the Residential Unit Owners. Construction of the Residential Units is expected to commence shortly and it is anticipated that the initial Residential Units in 100 Boardwalk Condominium will be completed and Closing of Title will commence on or about March 1, 2024, barring weather conditions, any strikes, material shortages, acts of God, pandemic, force majeure, or other unforeseen delays beyond the control of the Sponsor. Sponsor anticipates completion of the construction of 100 Boardwalk Condominium by August 1, 2024, and the overall Community to take approximately three (3) to five (5) years barring any unforeseen circumstances such as weather conditions, possible strikes, material shortages, acts of God, pandemic, force majeure, or other unforeseen delays beyond the control of the Sponsor.

Sponsor will retain an easement to complete any common improvements subsequent to Closing Title in each Condominium regime subject to the Declaration of Covenants and Restrictions.

As further described in Section V of the Plan, and as provided for in Article XVIII, Section 3 of the Association By-Laws contained as Schedule J-3 in Part II of the Offering Plan, the Association will have Architectural Control over any additions or changes to a Residential Unit in the overall Community. Said provision provides that no balcony or terrace, or change or alteration to the interior of any Residential Unit which shall affect the structural soundness of the Building in which the Residential Unit is located in any Condominium regime subject to the Declaration of Covenants and Restrictions, shall be commenced, erected, replaced, repaired or maintained, until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to, and approved in writing, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors and/or the Sponsor. During the period the Sponsor is in control of the Board of Directors, the Sponsor shall maintain a majority of the Members of the Architectural Committee (i.e., 2 of 3 members). Subsequent to the expiration of the

Sponsor Control Period, the members of the Architectural Committee shall be comprised solely of Residential Unit Owners. The provisions of this paragraph shall not apply to the Sponsor. A two thirds (⅔) majority of a quorum of the Board of Directors or Architectural Committee shall be required for approval of all of the above items. The Architectural Control provisions will not apply to the Sponsor.

Landscaping

Landscaping for the Community will be installed in accordance with the City of Long Beach-approved Landscape Plan. Landscaping will consist primarily of deciduous bushes and trees. Sponsor will have the right to substitute individual species with Town approval substitutes. A copy of the landscape plan is contained in Schedule G-2 in Part II of the Offering Plan.

The Association will be responsible for the maintenance, repair and replacement of all landscaping, any sidewalks and any fencing.

Roadways

Roads will be constructed as described in the Description of Property Report contained in Schedule G in Part II of the Offering Plan. All of the roads in the Community will be part of the Common Area of the Association or part of the Common Elements of each Condominium. The roads within the Community will be private roads and are not expected to be dedicated to the City or any other municipality. The Association will be responsible for the repair, maintenance, replacement (as required) and snow removal of all of the roads in the overall Community regardless of whether a Common Area of the Association, Common Element of a Condominium, except as otherwise provided for in the Declaration of Covenants and Restrictions.

Access to the Development is via an access road (hereinafter referred to as “an access road” or “entrance ramp”) from Broadway located between the Development and the adjacent Breeze Parcel, which road shall be owned by the Breeze Parcel owner. Pursuant to an Access Easement and Maintenance Agreement to be recorded in the Nassau County Clerk’s Office and set forth in Part II of the Offering Plan as Schedule N, the Association will be responsible for fifty percent (50%) of the repair, maintenance, replacement (as required) and snow removal of the access roadway and walks from Broadway located on the adjacent property.

All guest parking located within the overall Community, including any parking located in the Condominium to be constructed in the Subsequent Phase, will be available for use by all residents and guests of both Phases in the Community on a first come-first served basis. On-street parking is not permitted on the roadways within the Condominium.

Recreational Facilities

The Condominium will include a common roof terrace (the "Roof Terrace"). The Condominium building will also include a gym, yoga studio, administrative offices, and saunas. The foregoing are all collectively referred to as the Amenity Rooms, which Amenity Rooms will be maintained by The Boardwalk Long Beach Homeowners Association, as more fully discussed in Section V of the Plan. The Building comprising Phase I, to be known as 140 Boardwalk Condominium, will include a card room, mail room, and dog wash, and such amenities are collectively referred to as the 140 Boardwalk Amenities Rooms. The Amenity Rooms located in 100 Boardwalk Condominium and the 140 Boardwalk Amenity Rooms will be available to residents of both Condominiums for their use. In addition, the Association property includes a building located in between Tower A (the Building comprising Phase II known as 100 Boardwalk Condominium) and Tower B (the Building comprising Phase I known as 140 Boardwalk Condominium), which building connects the two Towers and includes a main lobby, lounge, and club room. Tower A, known as 100 Boardwalk Condominium, and the subject of this Offering Plan, will contain ninety-five (95) Residential Units located in nine (9) stories and Tower B, known as 140 Boardwalk Condominium, will contain ninety-seven (97) Residential Units located in nine (9) stories. The Common Area of the Association will also include a swimming pool with lap lanes, sun shelf, conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Unit Owners, residentials tenants, and their guests that are part of the Common Area of the Homeowners Association. The foregoing are all collectively referred to as the Outdoor Amenities. The Community will also include a Sanitary Sewer Collection System as described in the Description of Property Report in Part II of the Offering Plan. The Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System (i.e., all of the amenities) are expected to be completed and operational by August 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. As a result, the anticipated date of completion of the Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System is subject to change. Sponsor will amend the Offering Plan in the event the anticipated date of completion of the Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and/or Sanitary Sewer Collection System is materially delayed. The Garage, Roof Terrace, Outdoor Amenities, Amenity Room, and Sanitary Sewer Collection System are described in the Description of Property Reports contained in Schedule G in Part II of the Plan.

Sanitary Sewer Collection System

The Condominium will be connected to the City of Long Beach sanitary sewer system by means of a building service connection. The building service connection will be to the proposed 12-inch PVC (SDR — 35) sanitary sewer main in Broadway. There will be one (1) twelve inch (12") ductile iron pipe building service connection. The

sanitary sewer main in Broadway will be owned and maintained by the City of Long Beach. A letter of sewer availability was issued by the City of Long Beach on June 7, 2021. The maintenance of the building service connection will be owned and maintained by the Homeowners Association.

Drainage and Access Easements and Maintenance Agreements

The Condominium and Association shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Drainage Easement and Maintenance Agreement provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Condominium parcel and reciprocal easement over the Breeze Parcel in favor of the owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the 100-140 Boardwalk Parcel and Breeze Parcel. The Association, on behalf of any Condominiums subject to the Declaration of Covenants and Restrictions, shall be responsible for the of installation, maintenance, and repair of the portion(s) of the drainage system(s) located within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. A copy of the Drainage Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule M.

The Condominium and the Association shall also be subject to a perpetual Access Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Access Easement and Maintenance Agreement provides for an easement in favor of the Sponsor, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel. The common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the owner of the Breeze Parcel shall perform all necessary maintenance and repairs to the common roadway and the Association, on behalf of any Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association to a Site Operator appointed via the terms of the Access Easement and Maintenance Agreement and designated to oversee the maintenance and repair of the common roadway and the invoicing for the costs thereof. The expenses to be paid by the Association shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Access Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall

jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). See Section XXVII of the Offering Plan. A copy of the Access Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule N.

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IV. LOCATION AND AREA INFORMATION

Location

The Community is situated in the City of Long Beach, Nassau County, New York. It is bordered on them south by the Long Beach boardwalk (a City owned and maintained boardwalk) and the Atlantic Ocean, on the west by Association Common Areas and Riverside Boulevard, on the east by 140 Boardwalk Condominium and a proposed ten-story multi-family rental building consisting of 238 rental apartments and to be owned and operated by an affiliated entity of the Sponsor, which multi-family rental property will be known as The Breeze, and on the north by Broadway (a City owned and maintained roadway). The overall Phase II property consists of approximately 0.597 acres.

Municipal Services (All distances are approximate)

The Condominium will be serviced by the following municipal services:

Police:

The City of Long Beach Police Department is located approximately 0.7 miles from the Condominium.

Fire:

The City of Long Beach Volunteer Fire Department. The nearest firehouse is located approximately 0.7 miles from the Condominium.

Water:

Water will be supplied to the site by the City of Long Beach Water Transmission. All water expenses will be part of the Common Expenses of the Association payable through the Maintenance Charges.

Electric & Gas

Electric services for the Condominium will be provided by PSE&G Long Island. Each Unit will be separately metered and all costs associated with electric services to the Unit will be the sole responsibility of each Unit Owner. All common electricity will be part of the Common Expenses of the Association payable through the Maintenance Charges. See Schedule B-1 for projected individual electric service expenses.

Gas Service for the Condominium will be provided by National Grid. Each Unit will be separately metered and all costs associated with gas service to the Unit will be the sole responsibility of each Unit Owner. All common gas will be part of the Common

Expenses of the Association through the Maintenance Charges. See Schedule B-1 for projected individual gas service expenses.

Telephone

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

Television Reception:

Cable television will be provided through the local cable company and will be billed directly to each Unit. All costs associated with cable television to each Unit will be the sole responsibility of each Unit Owner.

Public Transportation/Airport

The City of Long Beach Transportation operates bus, trolley and para transit services within the City of Long Beach. The Long Island Railroad provides service to Penn Station in New York City via the Jamaica, NY station, as well as air train service to JFK International Airport, and is available to Residential Unit Owners in the Condominium as follows:

LIRR Station: The Long Beach train station of the Long Island Railroad is located approximately 0.5 miles from the Condominium.

Airline: JFK International Airport is located in Jamaica, NY, approximately 13.2 miles from the Condominium.

Refuse Removal:

Refuse removal will be provided by the City of Long Beach Department of Sanitation.

Medical, Educational and Religious Facilities

Long Beach Medical Center Hospital in Long Beach and Mt. Sinai South Nassau Hospital in Oceanside, NY are both located approximately 1 mile from the Condominium. St. John's Episcopal Hospital in Far Rockaway, NY is located approximately 6.2 miles from the Condominium.

The Condominium is located in the Long Beach School District. There are also numerous private schools, colleges and universities in the vicinity of the Community.

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

Surrounding Area

The Community is situated in the City of Long Beach, Nassau County, New York. It is bordered on them south by the Long Beach boardwalk (a City owned and maintained boardwalk) and the Atlantic Ocean, on the west by Association Common Areas and Riverside Boulevard, on the east by 140 Boardwalk Condominium and a proposed ten-story multi-family rental building consisting of 238 rental apartments and to be owned and operated by an affiliated entity of the Sponsor, which multi-family rental property will be known as The Breeze, and on the north by Broadway (a City owned and maintained roadway). The overall Phase II property consists of approximately 0.597 acres.

100 Boardwalk Condominium, the subject of this Offering Plan, and 140 Boardwalk Condominium, the Condominium in Phase I subject to a separate Offering Plan, will be part of an overall development to be known as The Boardwalk Long Beach, which overall development will consist of said Condominiums as well as an adjacent multi-family rental property consisting of 238 rental apartments to be owned and operated by an affiliated entity of the Sponsor. The multi-family rental property will be known as The Breeze and will be located on The Breeze Parcel. The Condominium and the Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Access Easement and Maintenance Agreement provides for an easement in favor of the Sponsor, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel. The common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the owner of the Breeze Parcel shall perform all necessary maintenance and repairs to the common roadway and the Association, on behalf of any Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association to a Site Operator appointed via the terms of the Access Easement and Maintenance Agreement and designated to oversee the maintenance and repair of the common roadway and the invoicing for the costs thereof. The expenses to be paid by the Association shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Access Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). A copy of the Access Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule N.

No representation is made as to the ultimate use or zoning of any parcel surrounding the Community.

Neither the Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas or areas in the immediate vicinity except for the proposed multi-family rental building to the east of the Condominium, as described above.

Parks and Recreation

The property is located along the City of Long Beach Boardwalk, along Long Beach on the Atlantic Ocean. Long Beach provides park passes at a discount for all residential property owners which can be purchased each season at The Long Beach Parks Department.

Zoning

The property that the Condominium will be located on is zoned Residences Business A, which permits the construction of the Condominium.

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V. THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION

A. Declaration of Covenants, Restrictions, Easements, Charges and Liens

The Condominium is part of an overall plot of land (hereinafter referred to as the "Community"), that is being developed in two (2) Phases, as follows:

Phase I -	140 Boardwalk Condominium containing ninety-seven (97) Residential Units and two (2) Non-Residential Units located in Tower B; and
Phase II -	100 Boardwalk Condominium containing ninety-five (95) Residential Units located in Tower A.

Sponsor anticipates closing the first Residential Unit in Phase II on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God, and anticipated rate of sales.

The Residential Unit Owners in both Phases will become automatic Class A Members of a Master Homeowners Association to be known as The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"), as well as Residential Unit Owners within their individual Condominium. The Sponsor will be a Class B Member of the Association. The Non-Residential Unit Owners of Non-Residential Units in 140 Boardwalk Condominium will not become Members of the Association. The Declaration of Covenants and Restrictions will be recorded in the Nassau County Clerk's Office prior to or simultaneously with the Closing of Title to the first Residential Unit in 140 Boardwalk Condominium. Prior to the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium, the Sponsor will record a Supplemental Declaration of Covenants and Restrictions which will subject the Units in such Condominium to the Declaration of Covenants and Restrictions and each Residential Unit Owner in the Condominium will become a Class A Member of the Association. At such time as the Condominium is subject to the Declaration of Covenants and Restrictions, the Association will have a maximum of one hundred and ninety-two (192) Class A Members. Any Common Area in the Condominium property will also be conveyed to the Association prior to or simultaneously with the Closing of Title to the first Residential Unit in the Condominium.

The Certificate of Incorporation for The Boardwalk Long Beach Homeowners Association, Inc., was incorporated under the provisions of the New York Not-for-Profit Corporation Law on January 27, 2023. A copy of the Certificate of Incorporation is contained in Part II of the Offering Plan as Schedule J-1. The Association has been formed to own, manage, maintain, repair and replace (as necessary) the Association Common Areas and all General Common Elements and General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common

Elements the Association is responsible to repair, maintain and replace (as necessary) as provided for in each Condominium Declaration of each Condominium regime that will be subject to and encumbered by the Declaration of Covenants and Restrictions and any Supplemental Declaration of Covenants and Restrictions, including but not limited to the following:

(1) Maintenance, repair and replacement to the exterior facades and roofs of the Buildings containing each condominium subject to the Declaration of Covenants and Restrictions containing the Units;

(2) Snow removal for the entire Property except for snow removal from any terraces and/or balconies, as applicable which shall be an individual responsibility of each Unit Owner, except that as set forth in the Access Easement and Maintenance Agreement set forth as Schedule N in Part II of the Plan, the Association shall only be responsible for fifty (50%) percent of the snow removal of the entrance ramp and walks from Broadway located on the adjacent property that provides ingress and egress to the Development and to the Breeze Parcel;

(3) Landscape maintenance for the entire Property;

(4) Repair, maintenance, and replacement (if necessary) of all roads, sidewalks, and curbings located within The Properties;

(5) Repair, maintenance, and replacement (if necessary) of the Garage, Garage Area, and any other parking spaces;

(6) Structural repair, maintenance, and replacement (if necessary) of the Cabanas;

(7) Repair, maintenance, and replacement (if necessary) of any irrigation system located within The Properties, if necessary;

(8) Repair, maintenance, and replacement (if necessary) of any site drainage, storm water collection and water distribution systems, if not maintained by the utility company or the City of Long Beach;

(9) Repair, maintenance, and replacement (if necessary) of all refuse enclosures and dumpsters;

(10) Repair, maintenance, and replacement (if necessary) of the Outdoor Amenities and Amenity Rooms;

(11) Repair, maintenance, and replacement (if necessary) of all Common Areas of the Association, all the General Common Elements, and the Limited Common Elements of each Condominium regime subject to the

Declaration of Covenants and Restrictions that the Association is responsible to repair and maintain as provided for in the Declaration and By-Laws of each Condominium that will be subject to the Declaration of Covenants and Restrictions;

(12) Repair, maintenance and replacement of any sewer facilities, all lateral sewers (which shall be defined as "those building connections that connect from a building to the main sewer line") unless dedicated to and/or maintained by the City of Long Beach or other municipality or agency; and

(13) All private internal roadway maintenance, ice/snow removal from private internal roadways, private sidewalks, on-site fire hydrants, dumpster enclosures, handicap ramps, and/or standpipe locations.

The overall Community will have a total of not more than one hundred and ninety-four (194) Units, consisting of one hundred and ninety-two (192) Residential Units and two (2) Non-Residential Units. Each Owner of a Residential Unit will be a Class A Member of the Association. The Sponsor will be a Class B Member of the Association for the Unsold Residential Units. The Owner(s) of the two (2) Non-Residential Units located in 140 Boardwalk Condominium will not become Members of the Association. The construction and completion of all one hundred and ninety-four (194) Units is expected to take approximately three (3) to five (5) years. However, the actual time of construction and completion will depend on the rate of sales and other factors beyond Sponsor's control. Sponsor anticipates closing the first Residential Unit in 100 Boardwalk Condominium on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as rate of sales, weather conditions, pandemic, labor strikes, material shortages, force majeure and acts of God.

Prior to the Closing of Title to any Residential Unit or the recording of the Declaration of Condominium establishing any Condominium or formal documents of the Condominium, the Sponsor will record a Supplemental Declaration of Covenants and Restrictions, bringing the Residential Units in the into the scheme of the Declaration of Covenants and Restrictions and subjecting the Units and the Unit Owners to the By-Laws and Rules and Regulations of the Association, with the Office of the Clerk of Nassau County.

Each Residential Unit Owner will also be responsible to pay a separate Common Charge to 100 Boardwalk Condominium for Common Expenses of the Condominium based on the budget for the Condominium disclosed in Schedule B of the Offering Plan.

In order to provide uniformity of maintenance and services to all Residential Units and facilities within the overall Community, the Condominium By-Laws have designated the Association as manager to provide maintenance and repair services to the General Common Elements and General Residential Units' Limited Common Elements of the Condominium and any Individual Residential Unit's Limited Common Elements of the

Condominium that are the responsibility of the Condominium and/or Association to maintain and repair. Such repairs and maintenance include but are not limited to roof and siding repairs and replacement of the Buildings located in the Condominiums, landscape maintenance of the Common Elements and snow removal of any walkways forming part of the Condominium which would otherwise be performed by the Board of Managers of the Condominium. As a result, all of the Common Expenses of the Community, except for what is specifically detailed in Schedule B, are Common Expenses of the Association and not the Condominium. If the Association fails to provide such services, the Condominium will become responsible for such services. The cost of such Common Expenses is included in the Association budget set forth at Schedule C and are not an individual Condominium expense but a Common Expense of the Association. In view of the fact that each Common Interest in both the Condominium and Association are calculated analogously, there is no material adverse impact to the Residential Unit Owners as a result of the Association performing such maintenance functions. However, since such Common Expenses are the Association Common Expenses and in the Association budget, the Sponsor is only responsible for a deficiency payment, if any, after all surplus funds are depleted. If such expenses were Common Expenses of the Condominium, the Sponsor would be obligated to pay monthly Common Charges based on the Percentage of Common Interest attributable to unsold Units it owns rather than on a deficiency basis as set forth above. This is not a violation of the Condominium Act because the Condominium has, pursuant to the authorization in Real Property Law Section 339(v)1(a), designated the Association to provide the maintenance obligations which are normally provided by the Condominium and make them Common Expenses of the Association and deficiency payments by Sponsor are permissible in Associations. See Article I, Section 4 of the Condominium By-Laws for the details concerning the appointment of the Association Board of Directors as manager of the Condominium.

Notwithstanding, each Residential Unit Owner who has entered into a License Agreement for a Cabana will be required to pay a monthly License Fee to the Association to cover the costs associated with the Cabanas as determined by the Board of Directors of the Association. The Board of Directors shall have the right to increase or decrease said amounts as required by the costs of said services and shall further have the right to implement monthly License Fees for the Parking Spaces in the future. Said License Fees associated with the Cabana and/or Parking Space, if the Board of Directors should determine to charge Parking Space License Fees, shall be in addition to the Common Charges, Maintenance Charges, and any Special Assessments charged to any Unit Owner. The monthly License Fees for the Cabanas and/or Parking Spaces, if the Board of Directors shall determine to charge monthly Parking Space License Fees, shall be determined based upon an equal pro-rata share of the costs attributable to the Cabanas and/or Parking Spaces, the numerator of which shall be one (1) and the denominator shall be equal to the total number of Cabanas and/or Parking Spaces. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors shall have the same rights of collection and

enforcement of the License Fees as they have for Common Charges, Maintenance Charges, and Special Assessments.

As a result of the Sponsor's right to rent Unsold Residential Units after the Offering Plan is consummated and Sponsor's right to retain control of a majority of the Board of Directors until the Closing of Title to the last Residential Unit in both Phases of the Development (192 Residential Units), the Residential Unit Owners in the Community may never gain control of the Board of Directors of the Association, even if they gain control of the Board of Managers of each respective Condominium within the Community.

The Board of Managers has designated the Association to provide the maintenance obligations which are normally provided by the Condominium. Deficiency payments by Sponsor are permissible in Associations. See Article I, Section 4 of the Condominium By-Laws for details concerning the appointment of the Association Board of Directors as manager of the Condominium. As a result of the fact that most responsibilities of the Community have be delegated to the Association, the Board of Managers of each Condominium will have no power regarding management of the respective Condominium unless the Association Board of Directors fails to meet its obligations either during the period Sponsor is in control of the Association or after the Sponsor relinquishes control of the Association. In such an event the Condominium Board of Managers will be responsible to meet all of the obligations that have been delegated to the Association Board of Directors.

Purchasers should refer to Schedule C (Association estimated first year budget) regarding the Common Expenses of the Association that would become Common Expenses of the Condominium in the event the Association fails to meet its obligations. As more fully disclosed below, Sponsor's obligation regarding maintenance payments to the Association is limited to the difference between actual operating costs and the Association Maintenance Charges levied on Residential Unit Owners who have Closed Title to their Residential Unit for the Phases that are subject to the Association Declaration of Covenants and Restrictions.

In addition to Sponsor's obligations to the Association for Maintenance Charges described above, Sponsor is obligated to pay such Common Charges and Special Assessments as are assessed for the Condominium on Units, built or unbuilt, to which title has not passed upon the commencement of collection of the Condominium Common Charges. The Common Charges assessed on Units are reflected in the projected budget for the estimated first year of operation of the Condominium contained as Schedule B in Section IX of the Plan and are further reflected in Schedule A.

Once title has passed to a Purchaser all Association Maintenance Charges, Condominium Common Charges, and any Special Assessments applicable to their Residential Unit shall become the Residential Unit Owner's sole obligation.

The Association will have Architectural Control over any additions or changes to a Residential Unit in the overall Community as provided for in Article XVIII, Section 3 of the Association By-Laws contained as Schedule J-3 in Part II of the Offering Plan. Said provision provides that no balcony or terrace, or change or alteration to the interior of any Residential Unit which shall affect the structural soundness of the Building in which the Residential Unit is located in any Condominium regime subject to the Declaration of Covenants and Restrictions, shall be commenced, erected, replaced, repaired or maintained, until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to, and approved in writing, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors and/or the Sponsor. During the period the Sponsor is in control of the Board of Directors, the Sponsor shall maintain a majority of the Members of the Architectural Committee (i.e., 2 of 3 members). Subsequent to the expiration of the Sponsor Control Period, the members of the Architectural Committee shall be comprised solely of Residential Unit Owners. The provisions of this paragraph shall not apply to the Sponsor. A two thirds (⅔) majority of a quorum of the Board of Directors or Architectural Committee shall be required for approval of all of the above items. The Architectural Control provisions will not apply to the Sponsor.

If an Association Class A Member is in default in the payment of Association Maintenance Charges assessed against such Class A Member's Residential Unit and fails to cure such default within five (5) days after receipt of written notice from the Board of Directors of the Association, the Board of Directors, in its sole discretion, shall have the option to prohibit all privileges of the Association, including voting privileges, by such Class A Member, permitted occupant, and the respective family members, guests and invitees of the foregoing, until such Class A Member is reinstated in good standing in the Association and to take such other legal action as may be permitted by applicable law or the By-Laws. In addition to the foregoing, any Class A Member in default shall be ineligible to be considered for membership as a Director to the Board of Directors and if on the Board of Directors, shall be suspended thereto until such time as all Association Common Maintenance Charges, together with late charges, interest and expenses, if any, are paid to the Association. In no event, however, shall a Class A Member's right of ingress and egress to their Residential Unit be suspended for non-payment of Common Maintenance Charges.

Upon the sale and conveyance of a Residential Unit by the Sponsor, the Purchaser thereof will automatically become a "Class A Member" of the Association (as membership is included in the price of the Residential Unit) subject to the Association's Rules and Regulations and liable for its Common Maintenance Charges as hereinafter provided. Any permitted lessee or occupant shall, at the option of the Class A Member, be permitted to enjoy the use of the common facilities in lieu of and subject to the same restrictions and limitations as said Class A Member. The Class A Member, however, shall remain primarily liable for any Common Maintenance Charges made to the Association. The Sponsor shall have the right to extend similar privileges to tenants of Residential Units retained by the Sponsor in the Community.

The Declaration of Covenants and Restrictions gives each Member of the Association an easement in and to the overall Property for the Member and the Member's guests. Each Member is also granted easements for ingress and egress over the parcels comprising the Community, as well as easements to connect with and make use of certain utility and drainage lines. The instrument also makes provision for various easements in favor of the Association and the Sponsor including, in the case of the Sponsor, the retention of easements necessary for the completion of construction and sale of Residential Units in the Community, completion and construction of the Common Area to be owned by the Association and the common elements of each Condominium regime subject to the Declaration of Covenants and Restrictions. The Sponsor will have the right to continue to use the Common Areas of the Association, common elements of each Condominium regime subject to the Declaration of Covenants and Restrictions, including model homes, for sales purposes, including a sales office, construction offices, Outdoor Amenities, Amenity Rooms, signs, roadways, and parking spaces located on The Properties until all the Residential Units to be constructed on The Properties have been sold and titled. Sponsor, its members and designated employees will also have easements of ingress and egress and access to the Condominium and Association, their amenities, and parking spaces for as long as the Condominium and Association are in existence for purposes of marketing other communities being developed by Sponsor or affiliated entities or for any other future repair to the Common Area, Common Elements, or an individual Residential Unit. The Board of Managers of the Condominium or Board of Directors of the Association shall not have any right to deny the Sponsor, its members and designated employees for accessing the Condominium and/or Association properties.

The Declaration of Covenants and Restrictions gives all Non-Residential Unit Owners of Non-Residential Units located in 140 Boardwalk Condominium, their tenants, clients, and guests an easement in, over and through any Association Common Area necessary for ingress, egress, and access and use of a Non-Residential Unit located in 140 Boardwalk Condominium.

Prior to the Closing of Title to the first Residential Unit in the Subsequent Phase, a Supplemental Declaration of Covenants and Restrictions will be recorded in the Nassau County Clerk's Office bringing the Residential Units in the Subsequent Phase into the scheme of the Declaration of Covenants and Restrictions and subjecting the Residential Unit Owners in the Condominium in the Subsequent Phase to the rights and obligations of the Homeowners Association free and clear of any mortgages.

Any land or construction loan mortgage on any part of the Community will be subordinate to the Declaration of Covenants and Restrictions or will include a covenant which insures the Association's and/or Unit Owner's undisturbed use of the premises for the purposes described in the Offering Plan even in the event of foreclosure.

Fire Insurance for the Building containing the individual Units in the Condominium is included in the budget containing the individual Condominium Units as

part of the Common Charges of each separate Condominium. See Schedule B. As a result, the Declaration of Covenants and Restrictions does not provide for any requirement for Members of the Association to maintain fire insurance for their individual Units. As noted in the footnotes to the Condominium budget, no coverage is provided for fire and casualty losses to the contents of each individual Unit, nor does the Condominium or Association coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, there is no liability coverage for an individual Unit Owner included in either the Condominium or Association insurance coverage. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

The Declaration of Covenants and Restrictions does not contain any provision permitting the Sponsor to annex other real estate to be included in the Association other than the land containing the Subsequent Phase.

The Members' right to the use and enjoyment of the Common Properties, which expires on December 31, 2122, will be automatically extended for successive ten (10) year periods, unless eighty (80%) percent of the Members agree to change the Declaration of Covenants and Restrictions in whole or in part.

B. Management and Operation of the Association

The initial Board of Directors (the "First Board of Directors"), consisting of three (3) Directors, shall be designated by the Sponsor.

Sponsor, as the Class B Member of the Association, is entitled to designate all of the Directors of the Board of Directors until all of the Residential Units in both Phases of the Community have been sold or transferred to bona fide purchasers (the "Sponsor Association Control Period"). During such time the Board of Directors shall consist of three (3) Sponsor designated Directors. Sponsor Directors shall be appointed for a one (1) year term. At the expiration of the Sponsor Director terms, if the Sponsor is still entitled to designate Directors, the Sponsor Directors shall thereafter continue to be appointed as Directors for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. The First Board of Directors will call for the First Association Annual Meeting of the Members to elect a Board of Directors within three (3) years of the Closing of Title to the first Residential Unit in the Association or within thirty (30) days after the Closing of Title of the last Residential Unit in the Association, whichever occurs first. In the event the Sponsor Association Control Period lapses subsequent to the First Annual Meeting, the designated Directors of the Sponsor are required to relinquish their position on the Board of Directors and the then Board of Directors will call for a Special Meeting of the Members as per the provisions of Article VII of the Association By-Laws.

At the Special or any Annual Meeting of Members subsequent to the Sponsor Association Control Period, a total of five (5) Directors of the Board of Directors shall be

elected or designated to the Board of Directors by the Class A Members. All Directors of the Board of Directors, other than the Sponsor designated representatives, shall be nominated and elected by the Class A Members at the Special or Annual Meeting after the Sponsor Association Control Period. Thereafter, at all Annual Meetings, the Board of Directors may request nominations for the Directors to the Board of Directors prior to the Annual Meeting in addition to nominations from Class A Members for the Board Directors at the Annual Meeting. Sponsor representatives of the Board of Directors shall be appointed by the Sponsor. As long as the Sponsor retains at least one (1) Unit in the Community, the number of Directors of the Board of Directors may not be increased to more than five (5) Directors without the consent of the Sponsor.

At any meeting of Class A Members to elect a Board of Directors subsequent to the Sponsor Association Control Period, subject to the provisions regarding the Sponsor Association Control Period as provided in this Section, the term of office of two (2) of the Directors of the Board of Directors shall be fixed for three (3) years, the term of office of two (2) of the Directors of the Board of Directors shall be fixed for two (2) years, and the term of office of one (1) of the Directors shall be fixed for one (1) year. The two (2) Class A Members receiving the highest number of votes shall be elected to the three (3) year term, the two (2) Class A Members receiving the next highest number of votes shall be elected to the two (2) year term, and the one (1) Class A Member receiving the next highest number of votes shall be elected to the one (1) year term. Each Class A Member shall be entitled to cast one vote for each Director of the Board of Directors to be elected to the Board of Directors. At the expiration of the initial term of office of each respective Director of the Board of Directors, their successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

The Sponsor shall have the right to voluntarily resign a position on the Board of Directors prior to the Sponsor Association Control Period lapsing. In such an event the Board of Directors will either (a) call for a Special Meeting of the Members pursuant to the provisions of Article VII, Section 9 of the Association By-Laws to elect a Class A Member to the Board of Directors for the balance of the Sponsor Director's term or (b) the remaining Directors of the Board of Directors will appoint a Residential Unit Owner to the Board of Directors for the balance of the Sponsor Director's term. At the expiration of the term of the appointed or elected Class A Member replacing the Sponsor designee as provided in this paragraph, the Board of Directors will either (a) call for a Special Meeting of the Members pursuant to the provisions of Article VII, Section 9 of the By-Laws to elect a Residential Unit Owner as a Class A Member to the Board of Directors for a one (1) year term or (b) the remaining Directors will appoint a Residential Unit Owner as a Class A Member to the Board of Directors for a one (1) year term. This procedure shall continue until the meeting of Members to elect a Board of Directors subsequent to the Sponsor Association Control Period, at which time the applicable Director's term will automatically expire. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Directors before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Directors that the Sponsor desires to reclaim said position the Directors appointed or

elected to said position shall resign and the Sponsor shall reappoint a Sponsor Director to the Board of Directors. At such time as the Sponsor no longer owns any Unit in the Community the Sponsor Directors shall resign and the Sponsor will not be entitled to designate any Directors to the Board of Directors.

In addition, the President of each Condominium regime located on The Properties and which are subject to the Declaration of Covenants and Restrictions shall automatically become a non-voting member of the Board of Directors, unless said person is elected to the Board of Directors by the Members of the Association. In such an event the respective Board of the Condominium located on The Properties shall elect the non-voting member of the respective Condominium.

All Class A Member Directors, other than those the Sponsor shall have the right to designate, must be either Class A Members of the Association or immediate family members residing in the Class A Member's Residential Unit.

As required by law, each Director shall be at least nineteen years of age.

In no event shall any Class A Member be eligible for election to the Board of Directors if such Class A Member is then in default, beyond any applicable grace period, in the payment of Maintenance Charges, Special Assessments or any other amounts required by the Board of Directors to be paid.

The initial Board of Directors of the Association will consist of Jonathan Weiss, David Burman, and Nicholas Cappadora, each having a business address located at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. Mr. Weiss and Mr. Burman are principals of the Sponsor, and Mr. Cappadora is an employee of the Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals at any time.

Each Member of the Association will be entitled to cast one (1) vote at any meeting regardless of the number of Residential Units owned by such Member.

The vote of sixty-six and two-thirds (66⅔%) percent of the Members is required to amend the Declaration of Covenants and Restrictions or By-Laws except as may be otherwise provided in the Declaration of Covenants and Restrictions or By-Laws.

C. Control of Association by Sponsor

The Sponsor, as the Class B Member, will be entitled to designate all of the Directors of the Board of Directors of the Homeowners Association until the last Residential Unit in both Phases of the Community is sold and titled to a bona fide purchaser. When the Sponsor no longer owns any Unsold Residential Unit in the Community it may not designate any Directors. As a result, Sponsor may retain permanent control over the Board of Directors and may never turn over control to the Residential Unit Owners of the Development. At such time as the Sponsor no longer

owns any Residential Units in the Developments that are being developed, it will not be entitled to designate any Directors to the Board of Directors.

The Sponsor will have the right to retain control over certain expenditures and fiscal actions of the Board of Directors. During this period, the Sponsor will have control of all maintenance and services to be provided by the Board of Directors of the Association and will determine the Maintenance Charges to be paid by all Unit Owners, including the Sponsor's Deficiency Contribution. The Sponsor will also be responsible for enforcing the Sponsor's obligations to the Association. During this period, Sponsor will have the right to control all decisions of the Association including but not limited to the determination of Association Common Expenses, management of the Association, the hiring and termination of employees of the Association, the placing of easements on the property and making improvements to the General Common Elements and General Residential Units' Limited Common Elements of each Condominium subject to the Declaration of Covenants and Restrictions. Notwithstanding the above, the Board of Directors has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Directors to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Directors. In addition, the Unit Owners may commence a lawsuit in the nature of a derivative action. However, at no time may Sponsor exercise veto power over expenses described in Schedule C or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) preserve the health and safety of the Association or for the health and safety of occupants of the Association or required to avoid the suspension of any necessary service to the Association.

As long as the Sponsor or its designee shall continue to own one (1) or more of the Residential Units in any Phase of the overall Community, the Board of Directors may not, without the Sponsor's prior written consent, (i) make any addition, alteration or improvement to The Properties, or (ii) assess any Common Maintenance Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund or, (iii) charge any special Common Maintenance Charge for a non-budgeted item unless required by law, emergency, municipal agency or for the health and safety of the Association and its Members, (iv) hire any additional employees or enter into any service or maintenance contract for work not covered by contracts in existence on the date of the Closing of Title to the first Unit or, (v) borrow money or otherwise create a security interest on behalf of the Association or on any portion of the Association property or, (vi) increase or decrease the services or maintenance of the Association as set forth in the proposed first year budget of the Association, the Declaration of Covenants and Restrictions or the By-Laws or otherwise provide services in excess of those contemplated by the proposed first year budget or elsewhere in the Offering Plan or any amendments thereto, or, (vii) purchase any materials, equipment or other goods costing in excess of $50,000, or (viii) increase the Maintenance Charges of the Association more than ten (10%) percent from the prior year's budget, unless required by law, emergency, municipal agency, the health and safety of the Association and its Members or if documentation is provided to the Sponsor in the nature of a financial

statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Association funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. In addition, so long as there are any Unsold Residential Units in the overall Community, the Board of Directors and the Residential Unit Owners shall not take any action that will interfere, impair or adversely affect the rights of the Sponsor to sell and construct any Residential Units.

The above provisions, (i) through (ix), provide that so long as the Sponsor owns even one Residential Unit in the entire Community, for however long it may choose to retain ownership of even one Residential Unit, significant financial decisions of the Board of Directors will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow funds for a capital improvement which all Residential Unit Owners are in favor of, or the ability to enter into a contract with an attorney and fund legal fees if the Sponsor fails to comply with provisions in the Offering.

Notwithstanding the above provisions, Sponsor will not exercise veto power over expenses described in Schedule C, the projected budget for the first year of operation of the Association, or over expenses required:

(i) to comply with applicable laws or regulations;
(ii) to remedy any notice of violation;
(iii) to remedy any work order by an insure; or
(iv) to preserve the health and safety of the Association or for the health and safety of occupants of the Association or required to avoid the suspension of any necessary service to the Association.

While Sponsor retains a majority of the Board of Directors, certified financial statements will be provided each year to Members. The Board of Directors will also provide such statements when Sponsor no longer retains a majority of the Board of Directors, although the statements are not required to be certified.

D. Expenses of Operating the Association

The costs and expenses applicable to the Association will be allocated among all Residential Units in both Phases of the Association, based on each Residential Unit's then Association Common Interest. When both Phases are brought within the scheme of the Declaration of Covenants and Restrictions, there will be a total of one hundred and ninety-two (192) Residential Units sharing in the Common Expenses of the Association.

The Sponsor's obligation for Maintenance Charges on Unsold Residential Units as the Class B Member subject to the Declaration of Covenants and Restrictions will be determined as follows:

(a) Sponsor's obligation for the Association Maintenance Charges on Unsold Residential Units subject to the Declaration of Covenants and Restrictions, as the Class B Member, will be limited to the difference between the actual operating costs of the Association, including reserves on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Maintenance Charges levied on the Residential Unit Owners who have Closed Title on their Residential Units as described in Section 3 (c) of Article X of the Declaration of Covenants and Restrictions. The Sponsor's obligation shall be referred to as the Sponsor's Residential Deficiency Contribution.

(b) The Maintenance Charges paid by the Residential Unit Owners who have Closed Title on their Residential Units are to be based upon the Association Common Expenses and Association budget in Schedule C of the Offering Plan applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General Common Elements and General Residential Units' Limited Common Elements, and Individual Residential Unit's Limited Common Elements the Association is required to repair and maintain, in all Condominiums subject to the Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions, completed or not, and any other Association Common Expenses required by the Association, applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Full Maintenance Charges").

(c) Sponsor will not be required to make a Deficiency Contribution in an amount greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions ("Maximum Deficiency Contribution Obligation").

(d) After the Closing of Title of the first Residential Unit in a Condominium, each Residential Unit Owner in such Condominium shall pay Association Maintenance Charges based upon the Residential Unit's Association Common Interest ("Association Common Interest"). A Residential Unit's Association Common Interest is calculated based upon each Residential Unit's square footage as it relates to the total square footage of all Residential Units in the Condominium(s) then subject to the Declaration of Covenants and Restrictions. The Sponsor's obligation for the Association Maintenance Charges on Unsold Units, as the Class B Member, will be limited to the Deficiency Contribution, as described in items (a) through (c) above.

(e) In the event the Association Common Expenses exceed the amount contributed by the Residential Unit Owners who have Closed Title plus the

Maximum Deficiency Contribution Obligation of the Sponsor for any fiscal year budget, the additional Maintenance Charges are to be pro-rated among the Residential Unit Owners who have Closed Title and the Unsold Residential Units still owned by the Sponsor based upon each Residential Unit's respective Association Common Interest.

(f) The amount of any required Deficiency Contribution on the part of the Sponsor shall not include uncollected Maintenance Charges from Residential Unit Owners who have Closed Title.

(g) Excess funds of the Association carried forth from prior fiscal years shall be applied first to the Sponsor's Deficiency Obligation.

(h) The sum due the Association from each individual Class A Member's Residential Unit shall constitute a Maintenance Charge of the Association and unpaid Maintenance Charges shall constitute liens on the individual Units and the personal obligation of the Class A Member Residential Unit Owner, subject to foreclosure as provided herein.

(i) In the event the monthly Maintenance Charges are not sufficient to cover the Association Common Expenses for any fiscal year budget, the Board of Directors will have the right to increase the Maintenance Charges or assess a Special Assessment. In such an event the increased Maintenance Charges shall be paid by the Residential Unit Owners for the balance of the budgetary year based upon their Association Common Interest and Sponsor's obligation shall be paid for the balance of the budgetary year based upon the Sponsor's Deficiency Obligation as provided in (a) above. In the event a Special Assessment is passed by the Board of Directors, the Special Assessment shall be paid by the Owner of each Residential Unit who has closed title to their Residential Unit in each Phase of The Properties in which Sponsor has commenced Closing of Title to Residential Units in such Phase, and which such Phase is therefore subject to the Declaration of Covenants and Restrictions, including the Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions, based on each Residential Unit's then respective Association Common Interest. This provision is subject to the rights of the Sponsor contained in Article VIII, Section 6(c) of the By-Laws of the Association.

(j) Sponsor will not be obligated to pay any Maintenance Charges on any Residential Units in the Subsequent Phase until such time as Sponsor has commenced the Closing of Title to Residential Units in the Subsequent Phase and the Subsequent Phase is then subject to the Declaration of Covenants and Restrictions.

In addition to Sponsor's obligations to the Association for Maintenance Charges described above, Sponsor is obligated to pay such Common Charges and Special Assessments as are assessed by the Board of Managers or the Condominium on Residential Units, built or unbuilt, to which title has not passed by the Board of Managers upon the commencement of collection of the Condominium Common Charges.

The Common Expenses applicable to the Association will be charged to each Residential Unit Owner who has Closed Title to their Residential Unit based upon each Residential Unit's Association Common Interest. Purchasers should refer to Schedule A regarding each Residential Unit's Association Common Interest. Purchasers should see above as to the Sponsor's Deficiency Obligation for Unsold Residential Units.

The amount a Residential Unit Owner is required to pay as its Common Maintenance Charge obligation is based on the estimated budget contained in Schedule C of the Offering Plan ("Full Maintenance Charge"). Schedule C assumes that all the Residential Units in each Phase will be occupied and that all the common improvements will be completed. As a result, Residential Unit Owners may be paying Common Maintenance Charges for improvements that may not yet be completed or services not yet operational. Surplus funds in the Association budget from prior years shall not be used to offset Sponsor's Deficiency Contribution obligation.

The sum due the Association from each individual Residential Unit Owner shall constitute a Maintenance Charge of the Association and unpaid Maintenance Charges shall constitute liens on the individual Residential Units and the personal obligation of the Residential Unit Owner, subject to foreclosure as provided herein.

In the event the monthly Maintenance Charges are not sufficient to cover the Association Common Expenses for any fiscal year budget, the Board of Directors will have the right to increase the Maintenance Charges or assess a Special Assessment. In such an event the increased Maintenance Charges shall be paid by the Residential Unit Owners for the balance of the budgetary year based upon their Association Common Interest and Sponsor's obligation shall be paid for the balance of the budgetary year based upon the Sponsor's Deficiency Obligation. In the event a Special Assessment is passed by the Board of Directors, the Special Assessment shall be paid by the Owner of each Residential Unit who has closed title to their Residential Unit in each Phase of The Properties in which Sponsor has commenced Closing of Title to Residential Units in such Phase, and which such Phase is therefore subject to the Declaration of Covenants and Restrictions, including the Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions, based on each Residential Unit's then Association Common Interest. This provision is subject to the rights of the Sponsor contained in Article VIII, Section 6(c) of the By-Laws of the Association.

Sponsor will not be obligated to pay any Maintenance Charges on any Residential Units in the Subsequent Phase until such time as Sponsor has commenced

the Closing of Title to Residential Units in the Subsequent Phase and the Subsequent Phase is then subject to the Declaration of Covenants and Restrictions.

In addition to Sponsor's obligations to the Association for Maintenance Charges described above, Sponsor is obligated to pay such Common Charges and Special Assessments as are assessed by the Board of Managers or the Condominium on Residential Units, built or unbuilt, to which title has not passed by the Board of Managers upon the commencement of collection of the Condominium Common Charges.

By acceptance of a deed, each Residential Unit Owner will be deemed to covenant and agree to pay to the Association such Maintenance Charges as are fixed by its Board of Directors. It is anticipated that the Association Maintenance Charges for the Residential Unit Owners in Phase II will commence upon the Closing of Title of the first Residential Unit in 100 Boardwalk Condominium. Notwithstanding, Sponsor reserves the right to commence collection of Association Maintenance Charges at any time while Sponsor is in control of the Board of Directors. During the period of time Maintenance Charges are not being collected by the Sponsor controlled Board of Directors for both Phases then subject to the Association Sponsor shall be responsible to provide and pay for all the services of the Association in the Phase for which the Maintenance Charges are not being collected.

Any sum assessed by the Board of Directors to a Residential Unit Owner that is unpaid, together with late fees and reasonable collection costs (including attorney's fees), will constitute a personal obligation of the person who was the Residential Unit Owner of the property when the Maintenance Charge fell due, as well as a charge on the land and a continuing lien on the property against which the Maintenance Charge is made. If Maintenance Charges are not paid within ten (10) days after their due date, the unpaid amount will be subject to a late fee and the Association may bring an action at law against the party personally obligated to pay the Maintenance Charge, or may foreclose the lien against the property. Interest and reasonable collection costs, including legal fees, will be added to any judgments so recovered. The lien for unpaid Association Maintenance Charges and Special Assessments shall be superior to all other liens except: (a) tax or assessment liens on the Residential Unit by the taxing subdivision of any governmental authority, including but not limited to local and state taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering the Residential Unit.

In addition, the rights of a Class A Member or permitted occupant of a Residential Unit, and their respective family members, guests and invitees to the use and enjoyment of The Properties are subject to the payment of Association Maintenance Charges levied by the Board of Directors. If a Class A Member is in default of the payment of the Association Maintenance Charges assessed against such Class A Member's Residential Unit and fails to cure such default within five (5) days after receipt of written notice from the Board of Directors, the Board of Directors, in its sole discretion, shall have the option to prohibit all privileges of the Association, including

voting privileges, by such Class A Member, permitted occupant, and the respective family members, guests and invitees of the foregoing, until such Class A Member is reinstated in good standing in the Association and to take such other legal action as may be permitted by applicable law or the By-Laws. In addition to the foregoing, any Class A Members so in default shall be ineligible to be considered for membership to the Board of Directors; and if on the Board of Directors, shall be suspended thereto until such time as all Association Maintenance Charges, together with late charges, interest and expenses, if any, are paid in full to the Association. In no event, however, shall a Class A Member's right of ingress and egress to their Residential Unit be suspended for non-payment of Maintenance Charges. The Board of Directors shall have the right to impose fines and other penalties for violations of the Rules and Regulations promulgated by the Association as provided for in Schedule J-4 of the Offering Plan.

As Membership in the Association will be automatic, no Member may exempt themselves from contributing toward the expenses of the Association by waiver of the use or enjoyment of The Properties or by the abandonment of the Residential Unit owned by the Member.

Schedule C contains an estimate of the receipts and operating expenses of the Association for its first year of operation. As more particularly set forth in Schedule C, the Association Maintenance Charges will be used to provide the following services: maintenance and operating expense for utility expenses for the Association Common Areas, insurance for the Association, payroll expenses, snow removal, landscape and roadway maintenance for the entire Community and other services of the Community including Condominium which services shall include, but not be limited to, repair, replacement (as necessary) and maintenance of all Condominium General Common Elements and any Limited Common Elements that are the responsibility of the Association to repair, replace and maintain, including but not limited to exterior maintenance, repair and replacement of the exterior facades and roofs of the Buildings and other maintenance, and repair services to the Condominiums and the Community.

E. Membership and Voting Rights in the Association

The Association shall have two (2) classes of membership interest as follows: Class A Membership shall represent the owners of the Residential Units, except the Sponsor, within each Condominium regime subject to the Declaration of Covenants and Restrictions and Class B Membership shall represent the Sponsor as the owner of the Unsold Residential Units. All Owners of a Residential Unit or Unsold Residential Unit on The Properties then subject to the Declaration of Covenants and Restrictions shall be Class A Members of the Association, whether such ownership is joint, in common or tenancy by the entirety. Each Member is entitled to one (1) vote regardless of the number of Residential Units or Unsold Residential Units owned by a Member except as provided in Article VIII, Section 2 of the Association By-Laws regarding the election of Directors. When more than one (1) person or entity holds such interest in such membership, the one (1) vote attributable to such Member shall be exercised as such

persons mutually determine but not more than one (1) vote may be cast with respect to any such Member.

Prior to or simultaneously with the Closing of Title to the first Residential Unit in the Condominium, the Sponsor will record a Supplemental Declaration of Covenants and Restrictions, which will then bring the Residential Units in the Condominium into the Association. When both Phases are brought within the scheme of the Declaration of Covenants and Restrictions, there will be a maximum total of one hundred and ninety-two (192) voting Class A Members of the Association.

See above as to Sponsor's right for the designated period of time to designate a majority of the Board of Directors. No Member shall split or divide its vote on any motion, resolution, or ballot.

F. Rules and Regulations of the Association

The Rules and Regulations of the Association are contained in Schedule J-4 contained in Part II of the Offering Plan.

G. Effectiveness

In view of the fact membership in The Boardwalk Long Beach Homeowners Association is part of the offer and sale of Residential Units in 100 Boardwalk Condominium, prior to Closing of Title of any Residential Unit, the Sponsor must follow the requirements of declaring a plan effective for a condominium. Said requirements provide that the Offering Plan will not become effective until bona fide Purchasers, including investors, have executed Purchase Agreements which have been accepted by Sponsor for at least fifteen (15%) percent in number of the Residential Units offered under the Plan based on the ninety-five (95) Residential Units in Phase II (95 x 15% = 15 Residential Units). See Section XIX for a full discussion of Sponsor's obligations to declare the Offering Plan effective.

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VI. SCHEUDLE A
100 BOARDWALK CONDOMINIUM
For the first year of operation March 1, 2024 thorugh February 28, 2025

Unit #	Building	Model	Bedrooms	Bathrooms	Powder Rm.	Unit Net Square Footage	*Terrace Square Footage	% of Common Interest in Condominium	% of Association Common Interest	Offering Price	Estimated Monthly Condo Charges	Estimated Monthly HOA Fees	**Estimated Monthly Real Estate Taxes first year of operation	**Estimated Annual Real Estate Taxes first year of operation	**Estimated Monthly Real Estate Taxes after Completion (Full Assessment)	**Estimated Annual Real Estate Taxes after Completion (Full Assessment)	***Total Estimated Monthly Carrying Charges for First Year of Operation	***Total Estimated Monthly Carrying Charges after Completion and Full Assessment
LANAI LEVEL																		
LANAI 1	TOWER A	B-02	2	2	0	1,296	264	1.100%	0.540%	$1,375,000	$255.86	$1,166.43	$801.75	$9,621.00	$1,691.33	$20,296.00	$2,224.04	$3,113.62
LANAI 2	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$875,000	$178.41	$812.18	$509.75	$6,117.00	$1,075.33	$12,904.00	$1,500.34	$2,065.92
LANAI 3	TOWER A	A-01	1	1	1	941	121	0.749%	0.368%	$905,000	$174.22	$794.90	$520.25	$6,243.00	$1,097.58	$13,171.00	$1,489.37	$2,066.70
LANAI 4	TOWER A	A-04	1	1	1	934	141	0.757%	0.372%	$905,000	$176.08	$803.54	$520.25	$6,243.00	$1,097.58	$13,171.00	$1,499.87	$2,077.20
LANAI 5	TOWER A	B-03	2	2	1	1,324	205	1.078%	0.530%	$1,475,000	$250.75	$1,144.83	$836.25	$10,035.00	$1,764.17	$21,170.00	$2,231.83	$3,159.75
LANAI 6	TOWER A	A-03	1	1	1	1,010	100	0.783%	0.384%	$1,015,000	$182.13	$829.46	$547.83	$6,574.00	$1,155.75	$13,869.00	$1,559.42	$2,167.34
LANAI 7	TOWER A	B-04	2	2	0	1,277	197	1.040%	0.510%	$1,230,000	$241.91	$1,101.63	$706.08	$8,473.00	$1,489.67	$17,876.00	$2,049.62	$2,833.21
LANAI 8	TOWER A	B-04	2	2	0	1,277	525	1.271%	0.624%	$1,230,000	$295.64	$1,347.87	$706.08	$8,473.00	$1,489.67	$17,876.00	$2,349.59	$3,133.18
4TH FLOOR																		
401	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,675,000	$280.06	$1,276.59	$889.25	$10,671.00	$1,876.00	$22,512.00	$2,445.90	$3,432.65
402	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,675,000	$280.06	$1,276.59	$889.25	$10,671.00	$1,876.00	$22,512.00	$2,445.90	$3,432.65
403	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,400,000	$239.81	$1,092.99	$812.25	$9,747.00	$1,713.58	$20,563.00	$2,145.05	$3,046.38
404	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,400,000	$239.81	$1,092.99	$812.25	$9,747.00	$1,713.58	$20,563.00	$2,145.05	$3,046.38
405	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$925,000	$178.41	$812.18	$517.67	$6,212.00	$1,092.08	$13,105.00	$1,508.26	$2,082.67
406	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$925,000	$178.41	$812.18	$517.67	$6,212.00	$1,092.08	$13,105.00	$1,508.26	$2,082.67
407	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$955,000	$181.66	$827.30	$528.25	$6,339.00	$1,114.33	$13,372.00	$1,537.21	$2,123.29
408	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$955,000	$181.66	$827.30	$528.25	$6,339.00	$1,114.33	$13,372.00	$1,537.21	$2,123.29
409	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,500,000	$251.91	$1,149.15	$849.50	$10,194.00	$1,792.17	$21,506.00	$2,250.56	$3,193.23
410	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,500,000	$251.91	$1,149.15	$491.58	$5,899.00	$1,025.42	$12,305.00	$1,892.64	$2,426.48
411	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,250,000	$240.28	$1,095.15	$716.83	$8,602.00	$1,512.17	$18,146.00	$2,052.26	$2,847.60
412	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,250,000	$240.28	$1,095.15	$716.83	$8,602.00	$1,512.17	$18,146.00	$2,052.26	$2,847.60
5TH FLOOR																		
501	TOWER A	D-01	4	3	0	2,845	596	2.427%	1.192%	$3,650,000	$564.53	$2,574.78	$1,937.83	$23,254.00	$4,088.25	$49,059.00	$5,077.14	$7,227.56
503	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,425,000	$239.81	$1,092.99	$822.92	$9,875.00	$1,736.08	$20,833.00	$2,155.72	$3,068.88
504	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,425,000	$239.81	$1,092.99	$822.92	$9,875.00	$1,736.08	$20,833.00	$2,155.72	$3,068.88
505	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$940,000	$178.41	$812.18	$525.58	$6,307.00	$1,108.83	$13,306.00	$1,516.17	$2,099.42
506	TOWER A	B-07	2	2	0	1,918	301	1.565%	0.768%	$2,000,000	$364.03	$1,658.92	$1,061.75	$12,741.00	$2,240.00	$26,880.00	$3,084.70	$4,262.95
507	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$970,000	$181.66	$827.30	$536.17	$6,434.00	$1,131.08	$13,573.00	$1,545.13	$2,140.04
509	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,525,000	$251.91	$1,149.15	$862.83	$10,354.00	$1,820.17	$21,842.00	$2,263.89	$3,221.23
510	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,525,000	$251.91	$1,149.15	$862.83	$10,354.00	$1,820.17	$21,842.00	$2,263.89	$3,221.23
511	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,270,000	$240.28	$1,095.15	$727.33	$8,728.00	$1,534.42	$18,413.00	$2,062.76	$2,869.85
512	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,270,000	$240.28	$1,095.15	$727.33	$8,728.00	$1,534.42	$18,413.00	$2,062.76	$2,869.85

* Terraces are not permitted to be used for a bedroom or living room. Use of this space improperly may result in a building code violation against the Unit.

**The projected real estate taxes are based on an assessment of the Units after construction is complete but prior to the assessor's office issuing final assessments. Purchasers are advised that real estate taxes may increase materially thereafter. See Footnote 5 to Schedule A and Section XX of the Offering Plan for more information regarding the projected assessed valuation after completion of construction. Estimated real estate taxes for the first year of operation do not include the estimated Basic STAR Credit of $705. STAR Credit is not guaranteed for individual Unit Owners.

***Total estimated carrying charges for the year of operation post-completion (i.e., when the Condominium is 100% completed) are caluclated based on the assumption that the Condominium Common Charges and HOA Assessments will not change from the first year of operation.

VI. SCHEUDLE A
100 BOARDWALK CONDOMINIUM
For the first year of operation March 1, 2024 thorugh February 28, 2025

6TH FLOOR																		
601	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,725,000	$280.06	$1,276.59	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,472.48	$3,488.65
602	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,725,000	$280.06	$1,276.59	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,472.48	$3,488.65
603	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,450,000	$239.81	$1,092.99	$833.50	$10,002.00	$1,758.33	$21,100.00	$2,166.30	$3,091.13
604	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,450,000	$239.81	$1,092.99	$833.50	$10,002.00	$1,758.33	$21,100.00	$2,166.30	$3,091.13
605	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$965,000	$178.41	$812.18	$533.58	$6,403.00	$1,125.67	$13,508.00	$1,524.17	$2,116.26
606	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$965,000	$178.41	$812.18	$533.58	$6,403.00	$1,125.67	$13,508.00	$1,524.17	$2,116.26
607	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$995,000	$181.66	$827.30	$544.25	$6,531.00	$1,148.17	$13,778.00	$1,553.21	$2,157.13
608	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$995,000	$181.66	$827.30	$544.25	$6,531.00	$1,148.17	$13,778.00	$1,553.21	$2,157.13
609	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,550,000	$251.91	$1,149.15	$876.08	$10,513.00	$1,848.25	$22,179.00	$2,277.14	$3,249.31
610	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,550,000	$251.91	$1,149.15	$876.08	$10,513.00	$1,848.25	$22,179.00	$2,277.14	$3,249.31
611	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,290,000	$240.28	$1,095.15	$738.00	$8,856.00	$1,557.00	$18,684.00	$2,073.43	$2,892.43
612	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,290,000	$240.28	$1,095.15	$738.00	$8,856.00	$1,557.00	$18,684.00	$2,073.43	$2,892.43
7TH FLOOR																		
701	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,760,000	$280.06	$1,276.59	$934.42	$11,213.00	$1,971.33	$23,656.00	$2,491.07	$3,527.98
702	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,760,000	$280.06	$1,276.59	$934.42	$11,213.00	$1,971.33	$23,656.00	$2,491.07	$3,527.98
703	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,485,000	$239.81	$1,092.99	$844.17	$10,130.00	$1,780.92	$21,371.00	$2,176.97	$3,113.72
704	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,485,000	$239.81	$1,092.99	$844.17	$10,130.00	$1,780.92	$21,371.00	$2,176.97	$3,113.72
705	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$990,000	$178.41	$812.18	$541.50	$6,498.00	$1,142.42	$13,709.00	$1,532.09	$2,133.01
706	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$990,000	$178.41	$812.18	$541.50	$6,498.00	$1,142.42	$13,709.00	$1,532.09	$2,133.01
707	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,020,000	$181.66	$827.30	$552.17	$6,626.00	$1,164.92	$13,979.00	$1,561.13	$2,173.88
708	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,020,000	$181.66	$827.30	$552.17	$6,626.00	$1,164.92	$13,979.00	$1,561.13	$2,173.88
709	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,585,000	$251.91	$1,149.15	$889.25	$10,671.00	$1,876.00	$22,512.00	$2,290.31	$3,277.06
710	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,585,000	$251.91	$1,149.15	$889.25	$10,671.00	$1,876.00	$22,512.00	$2,290.31	$3,277.06
711	TOWER A	D-02	4	3	0	2,658	376	2.140%	1.051%	$2,950,000	$497.77	$2,270.22	$1,566.17	$18,794.00	$3,304.08	$39,649.00	$4,334.16	$6,072.07
8TH FLOOR																		
801	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,795,000	$280.06	$1,276.59	$953.08	$11,437.00	$2,010.58	$24,127.00	$2,509.73	$3,567.23
802	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,795,000	$280.06	$1,276.59	$953.08	$11,437.00	$2,010.58	$24,127.00	$2,509.73	$3,567.23
803	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,535,000	$239.81	$1,092.99	$854.75	$10,257.00	$1,803.17	$21,638.00	$2,187.55	$3,135.97
804	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,535,000	$239.81	$1,092.99	$854.75	$10,257.00	$1,803.17	$21,638.00	$2,187.55	$3,135.97
805	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$1,015,000	$178.41	$812.18	$549.42	$6,593.00	$1,159.17	$13,910.00	$1,540.01	$2,149.76
806	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$1,015,000	$178.41	$812.18	$549.42	$6,593.00	$1,159.17	$13,910.00	$1,540.01	$2,149.76
807	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,045,000	$181.66	$827.30	$560.17	$6,722.00	$1,181.67	$14,180.00	$1,569.13	$2,190.63
808	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,045,000	$181.66	$827.30	$560.17	$6,722.00	$1,181.67	$14,180.00	$1,569.13	$2,190.63
809	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,635,000	$251.91	$1,149.15	$902.50	$10,830.00	$1,904.00	$22,848.00	$2,303.56	$3,305.06
810	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,635,000	$251.91	$1,149.15	$902.50	$10,830.00	$1,904.00	$22,848.00	$2,303.56	$3,305.06
811	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,365,000	$240.28	$1,095.15	$774.42	$9,293.00	$1,633.42	$19,601.00	$2,109.85	$2,968.85
812	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,365,000	$240.28	$1,095.15	$774.42	$9,293.00	$1,633.42	$19,601.00	$2,109.85	$2,968.85

* Terraces are not permitted to be used for a bedroom or living room. Use of this space improperly may result in a building code violation against the Unit.

**The projected real estate taxes are based on an assessment of the Units after construction is complete but prior to the assessor's office issuing final assessments. Purchasers are advised that real estate taxes may increase materially thereafter. See Footnote 5 to Schedule A and Section XX of the Offering Plan for more information regarding the projected assessed valuation after completion of construction. Estimated real estate taxes for the first year of operation do not include the estimated Basic STAR Credit of $705. STAR Credit is not guaranteed for individual Unit Owners.

***Total estimated carrying charges for the year of operation post-completion (i.e., when the Condominium is 100% completed) are caluclated based on the assumption that the Condominium Common Charges and HOA Assessments will not change from the first year of operation.

VI. SCHEUDLE A
100 BOARDWALK CONDOMINIUM
For the first year of operation March 1, 2024 thorugh February 28, 2025

9TH FLOOR																		
901	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,830,000	$280.06	$1,276.59	$971.50	$11,658.00	$2,049.58	$24,595.00	$2,528.15	$3,606.23
902	TOWER A	B-01	2	2	0	1,409	298	1.204%	0.591%	$1,830,000	$280.06	$1,276.59	$971.50	$11,658.00	$2,049.58	$24,595.00	$2,528.15	$3,606.23
903	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,585,000	$239.81	$1,092.99	$865.42	$10,385.00	$1,825.67	$21,908.00	$2,198.22	$3,158.47
904	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.506%	$1,585,000	$239.81	$1,092.99	$865.42	$10,385.00	$1,825.67	$21,908.00	$2,198.22	$3,158.47
905	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$1,045,000	$178.41	$812.18	$557.50	$6,690.00	$1,176.17	$14,114.00	$1,548.09	$2,166.76
906	TOWER A	A-02	1	1	0	952	135	0.767%	0.376%	$1,040,000	$178.41	$812.18	$557.50	$6,690.00	$1,176.17	$14,114.00	$1,548.09	$2,166.76
907	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,075,000	$181.66	$827.30	$568.08	$6,817.00	$1,198.42	$14,381.00	$1,577.04	$2,207.38
908	TOWER A	A-01	1	1	1	941	166	0.781%	0.383%	$1,070,000	$181.66	$827.30	$568.08	$6,817.00	$1,198.42	$14,381.00	$1,577.04	$2,207.38
909	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,685,000	$251.91	$1,149.15	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,316.89	$3,333.06
910	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.532%	$1,685,000	$251.91	$1,149.15	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,316.89	$3,333.06
911	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,415,000	$240.28	$1,095.15	$783.08	$9,397.00	$1,652.08	$19,825.00	$2,118.51	$2,987.51
912	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.507%	$1,415,000	$240.28	$1,095.15	$783.08	$9,397.00	$1,652.08	$19,825.00	$2,118.51	$2,987.51
10TH FLOOR																		
1001	TOWER A	C-01	3	2	1	2,848	1,459	3.038%	1.493%	$4,500,000	$706.65	$3,224.96	$2,389.17	$28,670.00	$5,040.17	$60,482.00	$6,320.78	$8,971.78
1004	TOWER A	B-02	2	2	0	1,296	166	1.031%	0.508%	$1,635,000	$239.81	$1,097.31	$876.08	$10,513.00	$1,848.25	$22,179.00	$2,213.20	$3,185.37
1005	TOWER A	A-02	1	1	0	952	135	0.767%	0.377%	$1,075,000	$178.41	$814.34	$565.50	$6,786.00	$1,192.92	$14,315.00	$1,558.25	$2,185.67
1006	TOWER A	A-02	1	1	0	952	135	0.767%	0.377%	$1,065,000	$178.41	$814.34	$565.50	$6,786.00	$1,192.92	$14,315.00	$1,558.25	$2,185.67
1007	TOWER A	A-01	1	1	1	941	166	0.781%	0.384%	$1,105,000	$181.66	$829.46	$576.00	$6,912.00	$1,215.17	$14,582.00	$1,587.12	$2,226.29
1008	TOWER A	A-01	1	1	1	941	166	0.781%	0.384%	$1,095,000	$181.66	$829.46	$576.00	$6,912.00	$1,215.17	$14,582.00	$1,587.12	$2,226.29
1009	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.533%	$1,735,000	$251.91	$1,151.31	$929.08	$11,149.00	$1,960.00	$23,520.00	$2,332.30	$3,363.22
1010	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.533%	$1,735,000	$251.91	$1,151.31	$929.08	$11,149.00	$1,960.00	$23,520.00	$2,332.30	$3,363.22
1011	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.508%	$1,465,000	$240.28	$1,097.31	$801.75	$9,621.00	$1,691.33	$20,296.00	$2,139.34	$3,028.92
1012	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.508%	$1,465,000	$240.28	$1,097.31	$801.75	$9,621.00	$1,691.33	$20,296.00	$2,139.34	$3,028.92
11TH FLOOR																		
PH-1	TOWER A	B-02	2	2	0	1,296	993	1.350%	0.666%	$1,710,000	$314.02	$1,438.60	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,668.45	$3,684.62
PH-2	TOWER A	B-02	2	2	0	1,296	993	1.350%	0.666%	$1,710,000	$314.02	$1,438.60	$915.83	$10,990.00	$1,932.00	$23,184.00	$2,668.45	$3,684.62
PH-3	TOWER A	B-06	2	2	1	1,779	509	1.614%	0.793%	$2,650,000	$375.42	$1,712.92	$1,380.33	$16,564.00	$2,912.00	$34,944.00	$3,468.67	$5,000.34
PH-4	TOWER A	B-06	2	2	1	1,779	509	1.614%	0.793%	$2,600,000	$375.42	$1,712.92	$1,380.33	$16,564.00	$2,912.00	$34,944.00	$3,468.67	$5,000.34
PH-5	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.533%	$1,810,000	$251.91	$1,151.31	$841.58	$10,099.00	$1,775.42	$21,305.00	$2,244.80	$3,178.64
PH-6	TOWER A	B-03	2	2	1	1,324	211	1.083%	0.533%	$1,810,000	$251.91	$1,151.31	$841.58	$10,099.00	$1,775.42	$21,305.00	$2,244.80	$3,178.64
PH-7	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.508%	$1,540,000	$240.28	$1,097.31	$995.50	$11,946.00	$2,100.17	$25,202.00	$2,333.09	$3,437.76
PH-8	TOWER A	B-04	2	2	0	1,277	188	1.033%	0.508%	$1,540,000	$240.28	$1,097.31	$995.50	$11,946.00	$2,100.17	$25,202.00	$2,333.09	$3,437.76
95 Residential Units			**165**	**162**	**36**	**120,039**	**22,483**	**100.000%**	**49.105%**	**$139,285,000**	**$23,260.42**	**$216,005.42**	**$76,064.87**	**$912,779.00**	**$160,456.89**	**$1,925,482.00**	**$205,394.76**	**$289,786.78**
97 Residential Units in Phase I			170	167	34	127,357	23,829		50.895%									

* Terraces are not permitted to be used for a bedroom or living room. Use of this space improperly may result in a building code violation against the Unit.

**The projected real estate taxes are based on an assessment of the Units after construction is complete but prior to the assessor's office issuing final assessments. Purchasers are advised that real estate taxes may increase materially thereafter. See Footnote 5 to Schedule A and Section XX of the Offering Plan for more information regarding the projected assessed valuation after completion of construction. Estimated real estate taxes for the first year of operation do not include the estimated Basic STAR Credit of $705. STAR Credit is not guaranteed for individual Unit Owners.

***Total estimated carrying charges for the year of operation post-completion (i.e., when the Condominium is 100% completed) are caluclated based on the assumption that the Condominium Common Charges and HOA Assessments will not change from the first year of operation.

FOOTNOTES TO SCHEDULE A

1. The room count has been based upon a zoning room count and is the room count for the basic model of each type. The Condominium will contain a number of different models as fully described in the Description of Property Report contained in Part II of the Offering Plan.

   The square foot area of the Residential Units at 100 Boardwalk Condominium was derived as follows: the square foot area of each Unit is measured horizontally paint to paint (i.e., from the inside face of exterior wall to inside face of corridor or common area wall and inside face of partitions separating one Unit from another Unit). Columns and mechanical shafts are deducted from measurement of each Unit. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

2. No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sale prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Residential Unit purchase. See Section XVII of the Offering Plan as to other terms of the offering which are negotiable. See Section XXI of the Offering Plan for estimated closing costs and adjustments, which costs are in addition to the sale prices set forth herein.

3. The Percentage of Common Interest in the Condominium for 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 overall dimensions of the particular Unit, pursuant to Real Property Law Section 339-i(1)(iv). The Association Common Interest for each Residential Unit is based upon each Residential Unit's square footage as it relates to the total square footage of all Residential Units in the Condominium(s) then subject to the Declaration of Covenants and Restrictions. The Percentage of Common Interest of one (1) or more Units, both for the Condominium and Association, may have been adjusted a de minimis amount so that the totals equal 100%.

4. Common Charges and Association Maintenance Charges have been estimated by the Sponsor and include fire and liability insurance for the Buildings and Common Elements of the Condominium. It also includes maintenance and operation of the Common Elements. See Schedule B for the estimated first year budget of the Condominium and Schedule C for the estimated first year budget of the Association. Common Charges and Maintenance Charges exclude repair and decoration to the inside of a Residential Unit, utilities for each Residential Unit

and insurance for personal belongings. See Schedule C for estimated heating and electrical costs for each model type Unit.

5. Real estate tax estimates for the first year of operation are based upon information received from Koeppel Martone and Leistman, LLC, a wholly owned subsidiary of Forchelli Deegan Terrana, 333 Earle Ovington Boulevard, Suite 1010, Uniondale, NY 11553, based upon the community being fifty (50%) percent completed.

Pursuant to current law a condominium must be assessed as if it were a rental apartment complex, for which the capitalization of income approach is the preferred methodology.

The Condominium property is situated in two separate and distinct assessing jurisdictions, Nassau County and the City of Long Beach. Each municipality is subject to a different standard of assessing a condominium building for purposes of real property taxation. The assessed value set by Nassau County is the basis for the School tax and the General tax and the assessed value set by the City of Long Beach is the basis for the City tax.

Nassau County. Pursuant to Section 1801 of the Real Property Tax Law, Nassau County is a special assessing unit which requires all real property to be placed in one of four classes of property. The building will be considered "Class 2" under Section 1805 of the Real Property Tax Law which includes all rental apartment buildings, cooperatives, condominiums over 3-stories, and condominiums of 3-stories or less that were converted from residential apartment dwellings.

Section 339-y(b) of the Real Property Law dictates that for real estate tax purposes, "[i]n no event shall the aggregate of the assessment of the [condominium] units plus their common interests exceed the total valuation of the property were the property assessed as a parcel." Section 581(a) of the Real Property Tax Law similarly provides that " . . . real property owned . . . on a condominium basis shall be assessed . . . at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned . . . on a condominium basis." The courts have interpreted these statutes as requiring the tax assessor to value the condominium as a rental apartment complex utilizing the capitalization of income method of appraisal.

City of Long Beach. By way of contrast, the City of Long Beach is an approved assessing unit under Article 19 of the Real Property Tax Law which has two classes of property, homestead and non-homestead. The building will be considered a homestead property under Section 1901(13)(a) which includes " . . . all other residential real property consisting of more than three dwelling units held in condominium form of ownership . . ."

Section 339-y(1)(d)(ii) of the Real Property Law and Section 581(1)(b) of the Real Property Tax Law mandate that properties in the homestead class of an approved assessing unit are not subject to the aforementioned valuation limitation that requires use of the capitalization of income method. Instead, the City tax assessor may use sales prices of the units in formulating his opinion of value for property taxation purposes.

The Condominium was expected approximately 50% complete as of January 1, 2023, the taxable status date for the 2024/25 County tax year and just after the December 1, 2022, taxable status date for the City's 2023/24 tax year. The Condominium is expected to be 100% complete as of August 1, 2024, a few months prior to the January 1, 2025, taxable status date for the Nassau County 2026/27 tax year and just prior to the December 1, 2024, taxable status date for the City's 2025/26 tax year. Since estimating future assessment ratios would be too speculative, the current 2023/24 Nassau County and 2022/23 City of Long Beach assessment ratios have been used in the tax projection analysis. Koeppel Martone and Leistman, LLC, a wholly owned subsidiary of Forchelli Deegan Terrana, have developed an estimate of taxes for the units as if they were completed on the 2024/25 Nassau County assessments roll and City of Long Beach 2025/26 assessment roll utilizing:

a) projected pricing and building plans provided to Koeppel, Martone and Leistman, LLC;
b) the 2023/24 County of Nassau Class 2 assessment ratio of 1%;
c) the 2022/23 City of Long Beach assessment ratio of 2.87% of value;
d) estimated aggregate Nassau County and Long Beach School tax rate of $326.340 per $100 of assessed value for the 2024/25 tax year and $339.524 for the 2026/27 tax year;
e) estimated Long Beach City Tax Rate of $20.784 per $100 of assessed value for 2023/24 tax year and $22.264 per $100 of assessed value for the 2025/26 tax year; and
f) a review of similar properties located within the City of Long Beach.

A copy of the Koeppel Martone and Leistman, LLC opinion letter is contained in Section XXIV of the Offering Plan. Purchasers should refer to Schedule B of the opinion letter as to anticipated real estate taxes after construction is 100% complete.

Purchasers should further note that for the 2016/17 tax year the State of New York has effectively eliminated the STAR exemption program in favor of a new “personal income tax credit” (“PIC”) for all qualifying Residential Units purchased after August 1, 2015. Eligible unit owners must register their Residential Unit and file an application with the State of New York online at https//www8.tax.ny.gov/STRP/strpStart. In order to qualify for the STAR PIC, the applicant must utilize the unit as their primary residence and the Residential Unit Owners’ aggregate annual income must not exceed $500,000. No paperwork will

be required to be filed with the Assessor's office, as the State will be administering the PIC program without local assistance. For the 2021/22 tax year, qualified applicants received a STAR exemption benefit of $705 on their tax bills. Assuming the state calculates the PIC utilizing the same factors and formula currently utilized for the STAR exemption, qualified applicants could expect to receive a credit of approximately $705 for the 2024/25 tax year if the condominium units were purchased and occupied. The STAR PIC is not guaranteed for individual Unit Owners.

Although in the Sponsor's opinion the above method of calculation, assessed valuation and real estate taxes applicable to each Unit are reasonable there can be no assurance that the assessed valuation, real estate taxes or the method of calculation of real estate taxes applicable to each Unit will be the method of calculation, final assessed valuation or real estate taxes utilized, issued or assessed by the applicable taxing authorities for each Unit. If for any reason a different method of calculation is used or a different assessment is placed upon any of the Units by such authorities or a different tax rate is in effect real estate taxes may increase or decrease depending upon the final decision of such taxing authorities and/or the then applicable tax rate.

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.

No representation or warranty is made that the actual assessed valuation will be as projected Schedule A, or that the projected tax rate will not change. In no event will Sponsor, Sponsor's Counsel, or any offerors hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind the Purchaser's Purchase Agreement, in the event the actual taxes differ from those projected. In addition, pursuant to the Federal Tax cuts and Jobs act of 2017, the real estate taxes payable by a Residential Unit Owner which are assessed against their Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and State Income Taxes payable by such Residential Unit Owner to a maximum of $10,000. In the event a Purchaser of a Residential Unit obtains a mortgage, the interest payable on mortgages up to $750,000 will be deductible for Federal income tax purposes to the extent allowed by law provided the Residential Unit will be the Purchaser's principal residence. Purchasers should further note that any projected tax deduction (where applicable) may vary in future years due to changes in real property taxes resulting from changes in the assessed value, the tax rate or the method of assessing real property. The Offering Plan will be amended to disclose any material change in the assessed valuation of the Residential Units or the tax rates.

It is anticipated that the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium will occur in March of 2024, barring any unforeseen circumstances such as rate of sales, weather conditions, pandemic, possible strikes, material shortages, acts of God, force majeure or other unforeseen delays beyond the control of the Sponsor.

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

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, Purchaser's monthly carrying charges will increase. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any Closing Costs that the Purchaser will be obligated to pay the lending institution.

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VII. SCHEDULE A-1

Parking Spaces

Parking Space Type	Parking Space License Expense
Single (Standard)	$60,000
Tandem*	$37,500
Electric	$75,000

*per individual Parking Space within a set of tandem spaces.

Single (Standard) Parking Spaces are those Parking Spaces which are of a standard size and can accommodate standard-sized vehicles.

Tandem Parking Spaces are those Parking Spaces which are adjacent to each other. Each set of Tandem Parking Spaces includes two (2) Parking Spaces adjacent to each other. Access to one of the Parking Spaces in a set of Tandem Parking Spaces is limited via egress through the other Parking Space within the set of Tandem Parking Spaces. Therefore, the Licensee of a Tandem Parking Space will access the Tandem Parking Space by driving their vehicle through the adjacent Tandem Parking Space. So that all Tandem Parking Space Licensees will always have access to their Tandem Parking Space, Tandem Parking Spaces licensed to Unit Owners will only be licensed in sets of two (2) Tandem Parking Spaces. Both Parking Spaces in a set of Tandem Parking Spaces of a standard size and can accommodate standard-sized vehicles.

Electric Parking Spaces are those Parking Spaces which are of a standard size and can accommodate standard-sized vehicles, and which are equipped with an electric vehicle charging station. Twenty-two (22) of the Parking Spaces located in the Parking Garage will be equipped with such electric vehicle charging stations as shown on the Parking Garage Plan contained in Part II as Schedule G-3.

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VIII. SCHEDULE A-2

Cabanas

Cabana Number	Cabana License Expense	Monthly License Fee	Annual License Fee
1	$250,000	$50	$600
2	$250,000	$50	$600
3	$250,000	$50	$600
4	$250,000	$50	$600
5	$250,000	$50	$600
6	$250,000	$50	$600
7	$250,000	$50	$600
8	$250,000	$50	$600
9	$250,000	$50	$600
Total	**$2,250,000**	**$450**	**$5.400**

IX. SCHEDULE B

100 BOARDWALK CONDOMINIUM
PROJECTED BUDGET FOR FIRST YEAR OF OPERATION
95 Residential Units

March 1, 2024 through February 28, 2025

1	**INCOME**	
	Condominium Common Charges	$279,125
	Total Income	**$279,125**
	EXPENSES	
2	Insurance	232,000
3	Management Fee	9,000
4	Accounting	7,500
5	Corporate & Franchise Taxes	250
6	Contingency	5,000
	Total Operating Budget	**253,750**
7	Reserves (10%)	25,375
	Total Expenses	**$279,125**

*In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If the common charges and maintenance charges combined in an amended budget exceeds the monthly common and maintenance charges in Schedules B and C combined by twenty-five (25%) percent or more the Sponsor will offer all Purchasers the right to rescind their purchase agreement and have their deposits returned, with interest, if any, provided such election to rescind is received by Sponsor within a reasonable period of time but not less than fifteen (15) days of the date of presentation of the amendment disclosing the revised budget. In addition, in the event the estimated commencement date of the first year of operation of the Condominium is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission unless Purchaser enters into a Purchase Agreement subsequent to an amendment disclosing a revised estimated date of the first Closing. In such an event the Purchaser will be offered a right of rescission by an amendment to the Offering Plan if the estimated date of the Closing of the first Residential Unit is delayed by twelve (12) months or more from the estimated date disclosed in the amendment.

FOOTNOTES TO SCHEDULE B

1. **COMMON CHARGES**

The total Common Charges that are to be assessed during the first year of operation are equal to the projected expenses for the first year of operation. Each of the ninety-five (95) Residential Unit Owners of the Condominium will be assessed Common Charges on a monthly basis equal to their percentage of ownership interest in the Condominium. Purchasers should note that in addition to the Common Charges that are to be paid to the Condominium each Unit Owner will also be responsible to pay a separate Maintenance Charge directly to The Boardwalk Long Beach Homeowners Association for Common Expenses of the Association based on the budget for the Association disclosed in Schedule C of the Offering Plan.

2. **INSURANCE**

Based on an estimate from USI Insurance Services, 333 Westchester Avenue, White Plains, NY for coverage as follows:

Property	
Building/Contents	$25,000,000 limit, replacement cost value, co-insurance waived agreed amount
General Liability	
General	Aggregate $2,000,000 / $1,000,000 per occurrence
Fire Damage Legal Liability	$50,000
Employees	Included
Garage Keeper's	$1,000,000

Directors & Officers
$1,000,000 limit / $5,000 deductible

Umbrella
$50,000,000 per occurrence / $50,000,000 Aggregate

Crime	
Employee Dishonesty Limit	$1,000,000
Directors & Officers	Included

The Condominium will procure, at or prior to the Closing of Title to the first Residential Unit, fire and casualty insurance under an agreed amount replacement cost policy or under a policy including at least an eighty (80%) percent co-insurance provision so that insured shall not be a co-insurer. The

coverage amount limit stated above for casualty insurance is based on full replacement value with no co-insurance. The Condominium Board of Managers should review said amount annually. The above quotation does not include workers compensation and auto liability which may be obtained at additional expense to the Condominium.

The insurance policies will provide that: (i) each Residential Unit Owner is an additional insured; (ii) there will be no cancellation without notice to the Condominium Board and/or their legal representatives; (iii) the right to subrogation against Residential Unit Owners is waived; (iv) the defense of invalidity because of acts of defense of pro-rata reduction in liability if Residential Unit Owners obtain additional coverage is waived and (v) policy will follow perimeters set forth by the Declaration and By Laws of Condominium.

The above coverage will be in place prior to or simultaneously with the closing of the first Residential Unit in the Condominium.

No coverage is provided for fire and casualty losses to the contents of each individual Residential Unit, nor does the coverage take into account any future replacements or additions to either the Residential Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Residential Unit Owner is included in the coverage provided above for occurrences not within the Common Areas. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

IN RECENT YEARS, PREMIUMS FOR INSURANCE (ESPECIALLY FIRE AND LIABILITY INSURANCE) HAVE INCREASED SUBSTANTIALLY. IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUM WILL CONTINUE TO INCREASE OR WILL LEVEL OFF. NO REPRESENTATION IS MADE REGARDING THE ACTUAL COST OF INSURANCE AT THE TIME OF CLOSING. PURCHASERS ARE ADVISED TO PROCURE THEIR OWN FIRE AND LIABILITY COVERAGE FOR THE INTERIOR OF THE RESIDENTIAL UNIT AND THE PURCHASER'S PERSONAL AFFECTS.

3. **MANAGEMENT**

On or before the closing date of the first Residential Unit, the initial Board of Managers of the Condominium, on behalf of the Condominium will enter into an agreement with Black Diamond Realty, 401 Franklin Avenue, Suite 104, Garden City, New York 11530, to perform the services of a managing agent of the Property. The budgeted item reflects the anticipated fee to be paid during the first year of Condominium operations. Services to include billing and collection of common charges, bookkeeping services, record keeping, negotiation of basic contracts, and general administrative duties of a managing agent. The projected expense for management services is commensurate with prevailing rates for

similar services in the area. Black Diamond Realty is not affiliated with the Sponsor.

4. **ACCOUNTING**

This line item provides funding for an annual certified financial statement and preparation of tax return. The amount is based upon an estimate by independent KWM CPAs LLP, 100 Jericho Quadrangle, Suite 220, Jericho, NY 11753.

5. **CORPORATE AND FRANCHISE TAXES**

Provides for the minimum amount the Condominium may be required to pay for state franchise and corporate tax.

6. **CONTINGENCY**

This estimate is provided by Black Diamond Realty. The estimate is based on prior experience in managing similar communities. This item is to provide a fund for possible expenses that are not included in the budget or possible increases in one (1) or more items of operating expense above the amounts projected. The budget may be modified, from time to time, prior to the commencement of, or during, Condominium operation to add new items of expense or increase one (1) or more items of operating expense. The Contingency Fund is not for purposes of future repair of the Common Elements of the Condominium, which expenses shall be funded by the Reserve Fund as described in Footnote 8 to the Schedule B budget.

7. **RESERVES**

The Reserve Fund for the Condominium is to be used solely for future repair of the Common Elements of the Condominium and the Reserve Fund for the Association to be used towards future repair of the Common Area of the Association and the Common Elements of the various condominiums within the overall Community as indicated in the footnotes.

The amount budgeted for the Reserve Fund is approximately ten (10%) percent of the total operating budget to comply with Fannie Mae and FHA guidelines. It shall be the obligation of the Board of Directors of the Association to collect and utilize this Reserve Fund strictly and solely for capital expenditures for the Common Elements of this Condominium regime. The Reserve Fund will be deposited into a separate Reserve Fund account.

X. SCHEDULE B-1

ESTIMATED ANNUAL GAS AND ELECTRICAL COSTS

The projected energy costs are based on the projections provided by KEA Engineers, 186 Wood Avenue South, First Floor, Iselin, NJ 03830, as per the attached letter and as set forth below.

Unit Type	Estimated Annual Costs for Gas	Estimated Annual Costs for Electric	Total Annual Estimated Utility Costs
A-01	$726	$878	$1,604
A-02	$733	$886	$1,619
A-03	$777	$942	$1,719
A-04	$717	$871	$1,588
B-01	$1,086	$1,313	$2,399
B-02	$997	$1,205	$2,202
B-03	$1,019	$1,235	$2,254
B-04	$983	$1,189	$2,172
B-06	$1,370	$1,660	$3,030
B-07	$1,476	$1,789	$3,265
C-01	$2,193	$2,657	$4,850
D-01	$2,191	$2,654	$4,845
D-02	$2,049	$2,479	$4,528

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

In view of the fact that these averages may include the use of energy by persons of varying need with different standards of comfort or with families of different sizes, the amount of energy used by the Purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and gas substantially higher than the current or projected rate.

Although the Sponsor is under obligation to provide accurate information to Prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and gas after the purchase of a Residential Unit or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Further, that it has not been induced to select the appliances etc., described herein on the basis of any financial inducement other than the cooperative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

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Estimated operating cost for Long Beach Residential Development

May 2, 2023

Assumptions

Heating: gas.
Cooling: electric.
Hot Water: gas.
Dryer and Stove: gas.
Appliances: electric.

National Grid rate: $2.22/therm
PSEG electric usage: $0.21/kw-hr
Lighting watts/sf based on NYS Energy code
Assumption made for appliance and miscellaneous power

Residences

Building B – A-01 Unit Plan

Net area — 941 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	563	kw-hr	x	$0.21	=	$118
Electric [Fans & Misc.]:	107	kw-hr	x	$0.21	=	$22
Electric lights and appliances:	3510	kw-hr	x	$0.21	=	$737
Natural Gas [Heating]:	137	therms	x	$2.22	=	$304
Domestic hot water gas usage:	136	therms	x	$2.22	=	$302
Natural gas [Dryer and Stove]:	54	therms	x	$2.22	=	$120
Domestic Water:	40150	gal	x	$4.81	=	$193

Total annual utility charges:	
Electric:	$878
Gas:	$726
Water:	$193
Total:	$1,797
Total annual utility charge $/sq.ft:	$1.91

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Building B – A-02 Unit Plan

Net area — 952 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	568	kw-hr	x	$0.21	=	$119
Electric [Fans & Misc.]:	108	kw-hr	x	$0.21	=	$23
Electric lights and appliances:	3544	kw-hr	x	$0.21	=	$744
Natural Gas [Heating]:	139	therms	x	$2.22	=	$309
Domestic hot water gas usage:	137	therms	x	$2.22	=	$304
Natural gas [Dryer and Stove]:	54	therms	x	$2.22	=	$120
Domestic Water:	40150	gal	x	$4.81	=	$193

Total annual utility charges:	
Electric:	$886
Gas:	$733
Water:	$193
Total:	$1,812
Total annual utility charge $/sq.ft:	$1.90

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Building A – A-03 Unit Plan

Net area — 1,010 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	604	kw-hr	x	$0.21	=	$127
Electric [Fans & Misc.]:	115	kw-hr	x	$0.21	=	$24
Electric lights and appliances:	3767	kw-hr	x	$0.21	=	$791
Natural Gas [Heating]:	147	therms	x	$2.22	=	$326
Domestic hot water gas usage:	145	therms	x	$2.22	=	$322
Natural gas [Dryer and Stove]:	58	therms	x	$2.22	=	$129
Domestic Water:	40150	gal	x	$4.81	=	$193

Total annual utility charges:	
Electric:	$942
Gas:	$777
Water:	$193
Total:	$1,912
Total annual utility charge $/sq.ft:	$1.89

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Building A – A-04 Unit Plan

Net area — 934 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	558	kw-hr	x	$0.21	=	$117
Electric [Fans & Misc.]:	106	kw-hr	x	$0.21	=	$22
Electric lights and appliances:	3484	kw-hr	x	$0.21	=	$732
Natural Gas [Heating]:	136	therms	x	$2.22	=	$302
Domestic hot water gas usage:	134	therms	x	$2.22	=	$297
Natural gas [Dryer and Stove]:	53	therms	x	$2.22	=	$118
Domestic Water:	40150	gal	x	$4.81	=	$193

Total annual utility charges:	
Electric:	$871
Gas:	$717
Water:	$193
Total:	$1,781
Total annual utility charge $/sq.ft:	$1.91

Building A/B – B-01 Unit Plan

Net area — 1,409 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	842	kw-hr	x	$0.21	=	$177
Electric [Fans & Misc.]:	160	kw-hr	x	$0.21	=	$34
Electric lights and appliances:	5252	kw-hr	x	$0.21	=	$1,103
Natural Gas [Heating]:	206	therms	x	$2.22	=	$457
Domestic hot water gas usage:	203	therms	x	$2.22	=	$451
Natural gas [Dryer and Stove]:	80	therms	x	$2.22	=	$178
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,313
Gas:	$1,086
Water:	$386
Total:	$2,785
Total annual utility charge $/sq.ft:	$1.98

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Building A/B – B-02 Unit Plan

Net area — 1,296 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	773	kw-hr	x	$0.21	=	$162
Electric [Fans & Misc.]:	147	kw-hr	x	$0.21	=	$31
Electric lights and appliances:	4819	kw-hr	x	$0.21	=	$1,012
Natural Gas [Heating]:	189	therms	x	$2.22	=	$420
Domestic hot water gas usage:	186	therms	x	$2.22	=	$413
Natural gas [Dryer and Stove]:	74	therms	x	$2.22	=	$164
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,205
Gas:	$997
Water:	$386
Total:	$2,588
Total annual utility charge $/sq.ft:	$2.00

Building A/B – B-03 Unit Plan

Net area — 1,324 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	792	kw-hr	x	$0.21	=	$166
Electric [Fans & Misc.]:	151	kw-hr	x	$0.21	=	$32
Electric lights and appliances:	4939	kw-hr	x	$0.21	=	$1,037
Natural Gas [Heating]:	193	therms	x	$2.22	=	$428
Domestic hot water gas usage:	191	therms	x	$2.22	=	$424
Natural gas [Dryer and Stove]:	75	therms	x	$2.22	=	$167
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,235
Gas:	$1,019
Water:	$386
Total:	$2,640
Total annual utility charge $/sq.ft:	$1.99

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Building A/B – B-04 Unit Plan

Net area — 1,277 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	762	kw-hr	x	$0.21	=	$160
Electric [Fans & Misc.]:	145	kw-hr	x	$0.21	=	$30
Electric lights and appliances:	4756	kw-hr	x	$0.21	=	$999
Natural Gas [Heating]:	186	therms	x	$2.22	=	$413
Domestic hot water gas usage:	184	therms	x	$2.22	=	$408
Natural gas [Dryer and Stove]:	73	therms	x	$2.22	=	$162
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,189
Gas:	$983
Water:	$386
Total:	$2,559
Total annual utility charge $/sq.ft:	$2.00

Building A/ B – B-06 Unit Plan

Net area — 1,779 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	1064	kw-hr	x	$0.21	=	$201
Electric [Fans & Misc.]:	203	kw-hr	x	$0.21	=	$38
Electric lights and appliances:	6636	kw-hr	x	$0.21	=	$1,251
Natural Gas [Heating]:	260	therms	x	$2.22	=	$517
Domestic hot water gas usage:	256	therms	x	$2.22	=	$511
Natural gas [Dryer and Stove]:	101	therms	x	$2.22	=	$202
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,660
Gas:	$1,370
Water:	$386
Total:	$3,416
Total annual utility charge $/sq.ft:	$1.92

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Building A/ B – B-07 Unit Plan

Net area — 1,918 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	1147	kw-hr	x	$0.21	=	$241
Electric [Fans & Misc.]:	218	kw-hr	x	$0.21	=	$46
Electric lights and appliances:	7154	kw-hr	x	$0.21	=	$1,502
Natural Gas [Heating]:	280	therms	x	$2.22	=	$613
Domestic hot water gas usage:	276	therms	x	$2.22	=	$568
Natural gas [Dryer and Stove]:	109	therms	x	$2.22	=	$242
Domestic Water:	80300	gal	x	$4.81	=	$386

Total annual utility charges:	
Electric:	$1,789
Gas:	$1,476
Water:	$386
Total:	$3,652
Total annual utility charge $/sq.ft:	$1.90

Building A/ B – C-01 Unit Plan

Net area — 2,848 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	1703	kw-hr	x	$0.21	=	$358
Electric [Fans & Misc.]:	324	kw-hr	x	$0.21	=	$68
Electric lights and appliances:	10623	kw-hr	x	$0.21	=	$2,231
Natural Gas [Heating]:	416	therms	x	$2.22	=	$924
Domestic hot water gas usage:	410	therms	x	$2.22	=	$910
Natural gas [Dryer and Stove]:	162	therms	x	$2.22	=	$360
Domestic Water:	120450	gal	x	$4.81	=	$579

Total annual utility charges:	
Electric:	$2,657
Gas:	$2,193
Water:	$579
Total:	$5,429
Total annual utility charge $/sq.ft:	$1.91

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Building A/ B – D-01 Unit Plan

Net area — 2,845 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	1701	kw-hr	x	$0.21	=	$357
Electric [Fans & Misc.]:	324	kw-hr	x	$0.21	=	$68
Electric lights and appliances:	10612	kw-hr	x	$0.21	=	$2,229
Natural Gas [Heating]:	415	therms	x	$2.22	=	$921
Domestic hot water gas usage:	410	therms	x	$2.22	=	$910
Natural gas [Dryer and Stove]:	162	therms	x	$2.22	=	$360
Domestic Water:	120450	gal	x	$4.81	=	$579

Total annual utility charges:	
Electric:	$2,654
Gas:	$2,191
Water:	$579
Total:	$5,424
Total annual utility charge $/sq.ft:	$1.91

Building A/ B – D-02 Unit Plan

Net area — 2,658 sq. ft.

Annual End-Use Consumption:

Electric [Cooling]:	1589	kw-hr	x	$0.21	=	$334
Electric [Fans & Misc.]:	303	kw-hr	x	$0.21	=	$64
Electric lights and appliances:	9915	kw-hr	x	$0.21	=	$2,082
Natural Gas [Heating]:	388	therms	x	$2.22	=	$861
Domestic hot water gas usage:	383	therms	x	$2.22	=	$850
Natural gas [Dryer and Stove]:	152	therms	x	$2.22	=	$337
Domestic Water:	120450	gal	x	$4.81	=	$579

Total annual utility charges:	
Electric:	$2,479
Gas:	$2,049
Water:	$579
Total:	$5,108
Total annual utility charge $/sq.ft:	$1.92

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XI. SCHEDULE C

THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.
PROJECTED BUDGET FOR FIRST YEAR OF OPERATION
Beginning March 1, 2024

			PHASES I & II
			192 Members
1	**INCOME**		
		Members	$2,592,065
		Total Income	**$2,592,065**
	EXPENSES		
2		Building Maintenance Staff & Doorman	$665,000
3		Common Area Electric	250,185
4		Common Area Water	103,630
5		Common Gas	13,850
6		Swimming Pool Staff, Pool Cleaning & Supplies	54,200
7		Landscape Maintenance	46,600
8		Snow Removal	10,000
9		Rubbish Removal	73,000
10		General Repairs and Maintenance, Supplies	60,000
11		Service and Maintenance Contracts	199,610
12		Cable TV/Telephone/Internet	14,000
13		Insurance	202,000
14		Security/Concierge	235,000
15		Valet Parking Attendant	260,500
16		Management Fee	85,000
17		Accounting	12,500
18		Legal Fees	3,000
19		Administrative/Postage	12,850
20		Corporate & Franchise Taxes	500
21		Real Estate Taxes	N/A
22		Contingency	55,000
23		Reserves	235,640
		Total Expenses	**$2,592,065**

*In the event the actual first year budget differs for the actual commencement of the budget by 6 months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If the common charges and maintenance charges combined in an amended budget exceeds the monthly common and maintenance charges in Schedules B and C combined by 25% percent or more, the Sponsor will offer Purchasers the right to rescind their purchase agreement and have their deposits returned with interest, if any, provided such election to rescind is received by Sponsor within a reasonable period of time but not less than 15 days of the date of presentation of the amendment disclosing the revised budget.

FOOTNOTES TO SCHEDULE C

1. **INCOME**

The estimate of the Annual Homeowners Association Fees to be collected during the first year of Homeowners Association operation is based upon a projection of the total amount of Association Fees that will be levied against the Residential Units and is based upon full occupancy of the Homeowners Association and fully completed and operational improvements.

2. **BUILDING STAFF**

The Association will not employ any staff on payroll; all staff will be provided by a third-party service provider. The staff will be non-union. The projected expenses for wages, salaries, and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

The estimated cost for building staffing is based on a proposal from Triangle Services, 20 West 55th Street, New York, New York 10019, a third-party provider. Planned staffing at full operation of the Homeowners Association for Phases I & II includes one superintendent, one handyman, three porters and one day time doorman.

3. **COMMON AREA ELECTRIC**

This line item includes the estimated cost of electricity used in the Common Elements, parking garage and landscaped areas.

The projected cost is based on an estimate provided by Knachaturian Engineering Associates, Inc., 186 Wood Avenue South, Iselin, New Jersey 08830. Knachaturian Engineering Associates estimates total kw-hr usage of 1,338,971 for lighting, fans, ventilation, cooling, pumps and slab heating. The estimated cost is $0.172/kw-hr. The Sponsor has added sales tax to the estimate.

Although the Sponsor is under the obligation to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of common electricity.

The projection does not include the cost of electricity for each Residential Unit which will be individually metered and billed directly to each Unit Owner. Purchasers should refer to Schedule B-1 as for the estimated individual electrical costs for the Residential Units.

4. **COMMON AREA WATER**

This line item includes the estimated cost of domestic water for the residential units, the pool and irrigation sprinklers.

The projected cost is based on an estimate provided by Knachaturian Engineering Associates, Inc., 186 Wood Avenue South, Iselin, New Jersey 08830. Knachaturian Engineering Associates estimates total water usage for the residential units of 8,030,000 gallons at an estimated of $4.81 per 1,000 gallons, and for common area water the estimated water usage is 4,149,295 gallons at an estimated cost of $5.11 per 1,000 gallons. The Sponsor has added sales tax to the estimates.

Residential Units will not be individually metered for water and all water and sewer costs will be a Common Expense. The cost for water for the Residential Units is included in this estimate. It is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of Condominium operation, which will vary with the level of consumption and the cost of water. It can be expected that the cost of water will increase over time.

5. **GAS**

This line item reflects the estimated cost of natural gas consumption for the Common Areas.

The projected cost is based on an estimate provided by Knachaturian Engineering Associates, Inc., 186 Wood Avenue South, Iselin, New Jersey 08830. Knachaturian Engineering Associates estimates 13,418 therms will be consumed per year at an anticipated cost of $0.95 per therm. The Sponsor has added sales tax to the estimate.

It is not possible to predict whether the budget estimate will reflect the actual cost to be incurred during the period covered by Schedule B-1, which cost will vary with the level of consumption and the rates charged for such consumption. Consumption will be affected by the severity of the weather and by conservation measures (such as staggering hours of heating, lowering the temperature of hot water, etc.), if any, adopted by the Homeowners Association. It is likely that the price of gas will increase, although it is not possible to forecast with certainty the actual amount of such increase. It is believed that the projected figures should be sufficient to cover any reasonable increase in the price of gas resulting from the foregoing during the period covered by Schedule B-1.

The projection does not include the cost of natural gas for each Residential Unit which will be individually metered and billed directly to each Residential Unit Owner. Purchasers should refer to Schedule C for estimated individual natural gas costs for the Residential Units.

6. **SWIMMING POOL STAFF AND SUPPLIES**

The budgeted figure is based on an estimate provided by Chaiken Ultimate Management 30 Dunton Avenue, Deer Park, New York 11729. The estimate is based on projected staffing of the pool from May 25, 2024 through September 2, 2024 for 8 hours per day. In addition, the service provider will provide all chemicals for the pool and will perform the spring opening and winterization.

The Association will not employ any staff on payroll; all staff will be provided by a third-party service provider. The staff will be non-union. The projected expenses for wages, salaries, and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

7. **LANDSCAPE MAINTENANCE**

The budgeted figure is based on an estimate provided by Triple H Contractors, 90 Arlington Avenue, St. James New York 11780 for the maintenance of shrubbery and lawn installations in the Common Area, spring and fall general clean up, and for application of annual lawn chemicals and fertilization. A provision has been estimated for opening and closing of the irrigation system and for seasonal flowers.

8. **SNOW REMOVAL**

The budgeted figure is based on an estimate provided Triple H Contractors, 90 Arlington Avenue, St. James New York 11780 for snow removal for the driveway.

9. **RUBBISH REMOVAL**

The budgeted figure is based on an estimate provided by Winter Bros. Waste Systems, 120 Nancy Street, West Babylon, NY 11704. Services to include trash pickup from the trash dumpsters two times per week. Recyclables will be picked up from the same containers as trash and sorted at a transfer station.

10. **GENERAL REPAIRS & MAINTENANCE, SUPPLIES**

The budgeted figure has been estimated provided by Black Diamond Realty, 401 Franklin Avenue, Garden City, NY 11530 based upon their experience in managing other communities. The estimate is for general repairs and maintenance to the Common Areas which may be provided by outside contractors. And for general supplies used in the common areas and clubhouse.

The budgeted figure does not include improvements and repairs to, and maintenance of, individual Residential Units. Each individual Residential Unit Owner is responsible for improvements and repairs to and maintenance of their Residential Unit restricted to their

use. This line item of the budget does not include the cost of repairs, hardware supplies or painting of the interior of Residential Units.

11. SERVICE CONTRACTS

The budgeted figure is based on an estimate provided by Black Diamond Realty, 401 Franklin Avenue, Garden City, NY 11530. The estimate is based on prior experience managing other properties.

The budgeted figure for this line item includes the cost of various service contracts for the Common Area such as the fire sprinkler system, extermination, fitness equipment, smoke detection system and elevators. No service contracts have been entered into as of the date of the Plan. However, the Sponsor has reserved the right, prior to the first closing, to enter into contracts which will be binding on the Condominium Board, provided that such contracts do not materially increase the estimated Common Charges for the first year Condominium operation.

12. CABLE TV, TELEPHONE AND INTERNET

The budgeted figure is based on rates currently in effect for Cablevision and Verizon Communications. The budgeted figure is based on telephone lines for clubhouse, gate house and sewer treatment plant and for cable TV service for the clubhouse fitness center and televisions and for internet service for the clubhouse and gate house.

13. INSURANCE

The budget figure for insurance is based upon an estimate provided by USI Insurance Services, 333 Westchester Avenue, White Plains, New York.

Blanket All Risk Insurance Policy of $25,000,000 for the common areas.
A deductible of $5,000 has been utilized and there will be no co-insurance.
Excess Flood Coverage: $5,000,000
Fidelity Bond/Crime: $1,000,000
Directors and Officers: $1,000,000 for a five position Board of Directors
General Liability: $1,000,000 per occurrence, 2,000,000 aggregate
Umbrella Liability: $50,000,000

The Homeowners Association Board of Directors should review the above amounts annually**.** The coverage amount limits stated above for casualty insurance is based on full replacement value and should be sufficient to avoid the effects of co-insurance. The insurance policies will provide that (i) each Residential Unit Owner is an additional insured; (ii) there will be no cancellation without notice to the Homeowners Association Board and/or their legal representatives; (iii) the right to subrogation against Residential Unit Owners is waived; (iv) the defense of invalidity because of acts of defense of pro-rata reduction in liability if Residential Unit Owners obtain additional coverage is waived;

and (v) policy will follow perimeters set forth by Declaration and By Laws of the Homeowners Association.

The above coverage will be in place prior to or simultaneously with the closing of the first Residential Unit in the Homeowners Association.

No coverage is provided for fire and casualty losses to the contents of each individual Residential Unit, nor does the coverage take into account any future replacements or additions to either the Residential Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Residential Unit Owner is included in the coverage provided above for occurrences not within the Common Areas. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

IN RECENT YEARS, PREMIUMS FOR INSURANCE (ESPECIALLY FIRE AND LIABILITY INSURANCE) HAVE INCREASED SUBSTANTIALLY. IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUMS WILL CONTINUE TO INCREASE OR WILL LEVEL OFF. NO REPRESENTATION IS MADE REGARDING THE ACTUAL COST OF INSURANCE AT THE TIME OF CLOSING. PURCHASERS ARE ADVISED TO PROCURE THEIR OWN FIRE AND LIABILITY COVERAGE FOR THE INTERIOR OF THEIR UNIT AND THE PURCHASER'S PERSONAL AFFECTS

14. **SECURITY/DOORMAN**

The budgeted figure is based on an estimate provided by Security USA, 336 West 37th Street, Suite 450, New York, NY 10018 for staffing at the building entrance 24 hours a day, 7 days a week. The estimate includes a provision for holiday overtime rates.

The Association will not employ any staff on payroll; all staff will be provided by a third-party service provider. The staff will be non-union. The projected expenses for wages, salaries, and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

15. **VALET PARKING**

The budgeted figure is based on an estimate provided by Parking Systems Plus, Inc., 28 Fourth Street, Valley Stream, NY 11581 for providing the services of a valet parking attendant 24 hours a day, 7 days a week. The estimate includes a provision for holiday overtime rates.

The Association will not employ any staff on payroll; all staff will be provided by a third-party service provider. The staff will be non-union. The projected expenses for wages, salaries, and benefits as well as the assumptions described herein, are believed to be

reasonable and reflect the experience of Sponsor's budget expert in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

16. **MANAGEMENT**

On or before the closing date of the first Residential Unit, the initial Board of Directors of the Homeowners Association, on behalf of the Homeowners Association will enter into an agreement with Black Diamond Realty to be managing agent of the Property. The budgeted item reflects the anticipated fee to be paid during the first year of Homeowners Association operations. Management services will include billing and collection of common charges, bookkeeping services, record keeping, negotiation of basic contracts, and general administrative duties of a managing agent.

17. **ACCOUNTING**

The budgeted figure is based on an estimate provided by KWM CPAs LLP, 100 Jericho Quadrangle, Suite 220, Jericho, NY 11753 for the preparation of annual audited financial statements and New York State and Federal tax returns.

18. **LEGAL FEES**

The budgeted figure is based on an estimate provided by Certilman, Balin, Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, New York 11554 for an amount to be used by the Board of Managers when consulting with an attorney to review contracts and collect of delinquent Association Fees. The cost of litigation, if any, would be additional.

19. **ADMINISTRATIVE EXPENSES**

The budgeted figure is based on estimate provided by Black Diamond Realty, 401 Franklin Avenue, Garden City, New York, based upon their experience managing other properties. The estimate reflects the cost of permits, postage for mailing of common charge bills and general correspondence and other administrative costs.

20. **CORPORATE AND FRANCHISE TAXES**

The budget figure provides for the minimum amount the Homeowners Association may be required to pay for state franchise and corporate tax.

21. **REAL ESTATE TAXES**

The Common Area of a Homeowners Association is customarily not assessed for real estate taxes and is value reflected in the land and values of each individual Residential Unit. As a result, no money has been budgeted for real estate taxes as part of the Association Common Expenses. Notwithstanding, no representation or warranty is

made the Association will not be assessed for real estate taxes against property owned by the Association. In the event real estate taxes are assessed against property owned by the Association they will become a Common Expense of the Association and part of the Maintenance Charge paid by each Residential Unit Owner. In no event will Sponsor, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event taxes are assessed against property owned by the Association. Purchasers should note that if real estate taxes are assessed against the Association property, they will not be deductible by a Residential Unit Owner for income tax purposes. In the event there are any real estate taxes associated with the Common Area, it will be the responsibility of the Association to pay as part of its Common Expenses and will be included in the Maintenance Charges. In such an event, the Maintenance Charges will likely increase.

22. **CONTINGENCY**

The budgeted figure is to provide a fund for possible expenses that are not included in the budget or possible increases in one (1) or more items of operating expense above the amounts projected. The budget may be modified, from time to time, prior to the commencement of, or during, Homeowners Association operation to add new items of expense or increase one (1) or more items of operating expense.

23. **RESERVES**

The budgeted amount for reserves is based upon approximately ten (10%) percent of the total operating budget to comply with Fannie Mae and FHA guidelines. It shall be the obligation of the Board of Directors of the Association to collect and utilize this Reserve Fund strictly and solely for capital expenditures for the Common Elements of this Homeowners Association. The Reserve Fund will be deposited into a separate Reserve Fund account.

Although the Sponsor cannot make any guarantees, as this Homeowners Association is a new construction development, it is unlikely that there will be any major capital improvements during the first five (5) years of Homeowners Association operation.

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XII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

August 24, 2023

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

Subject: **100 Boardwalk Condominium**

Gentlepeople:

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

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

In reviewing said Schedule A, the Percentage of Common Interest for each Unit as contained therein has been determined based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the Percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York. The Percentage of Common Interest of one (1) or more Units have been adjusted a de minimis amount so that the total equals 100%.

We hereby authorize inclusion of this opinion in the offering plan for the Condominium to be filed with the Department of Law.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: _____
Richard Herzbach, Partner

XIII. PARKING SPACES

General

The Parking Spaces will be subject to a License Agreement between a Unit Owner as the Licensee and the Board of Directors of the Association as the Licensor. The Board of Directors of the Association shall be required to keep a list of all Parking Spaces and the Units that are subject to a License Agreement or subject to a rental. All Unit Owners shall be required to advise the Board of Directors of the Association of any assignment or rental of any Parking Spaces pursuant to a License Agreement within ten (10) days of such assignment or rental.

Use

Parking Spaces may only be utilized by a Licensee who owns a Unit in the Condominium, or simultaneously with entering into a Parking Space License Agreement is acquiring a Unit in the Condominium or in the Subsequent Phase, or a tenant of a Licensee who owns a Unit in the Condominium, or simultaneously with entering into a Parking Space License Agreement is acquiring a Unit in the Condominium or in the Subsequent Phase, and such use is limited to the parking of automobile, motorcycles, and similar type vehicles and pursuant to the provisions of the Declaration of Covenants and Restrictions, the Association By-Laws, and any Rules and Regulations regarding the Parking Spaces. The Unit Owner of a Non-Residential Unit shall have the right to enter into a License Agreement for multiple Parking Spaces located in the Parking Garage.

The nine (9) ADA-compliant Parking Spaces will be licensed only to Purchasers who themselves or a member of their family who is residing in the Residential Unit has a vehicle with handicapped license plates or a permanent handicapped permit. In the event a Residential Unit Owner in the Condominium or a member of their family residing in the Residential Unit becomes handicapped and thereafter acquires handicapped plates for his or her vehicle, and a different Residential Unit Owner is the then Licensee of an ADA-compliant Parking Space, and said Residential Unit Owner no longer has a handicapped license plate or permanent handicapped permit, the Residential Unit Owner who acquires handicapped plates for his or her vehicle has the right to demand that the Residential Unit Owner of the Residential Unit to which the ADA-compliant Parking Space is licensed trade or swap the ADA-compliant Parking Space for which their Residential Unit is the then Licensee for the non-handicapped Parking Space then licensed to the Residential Unit Owner who requires an ADA-compliant Parking Space. The Residential Unit Owner of the Residential Unit which is the Licensee of the ADA-compliant Parking Space must comply with the aforementioned demand upon thirty (30) days' written notice. In the event a Residential Unit Owner who is the Licensee of an ADA-complaint Parking Space sells their Residential Unit to a subsequent purchaser which subsequent purchaser does not themselves have nor does a member of their family who is residing in the Residential Unit have a vehicle with handicapped license plates or a permanent handicapped permit, then such subsequent purchaser, who upon

Closing of Title to the Residential Unit shall become a Residential Unit Owner, will be subject to the same requirements regarding the trade or swap of the License Agreement for the ADA-compliant Parking Space as discussed herein.

Repair and Maintenance

All repairs and maintenance of the Parking Spaces and Garage Areas shall be the responsibility of the Association as a Common Expense, subject to the provisions of Article XIII, Section 3 and any other applicable sections of the Declaration of Covenants and Restrictions. There will be no additional monthly License Fee payable by Licensees of the Parking Spaces to the Association to cover the costs associated with the Parking Spaces. Notwithstanding, the Board of Directors shall have the right to implement monthly License Fees for the Parking Spaces in the future. Said License Fees associated with the Parking Spaces, should the Board of Directors determine to implement same, shall be in addition to the Maintenance Charges and any Special Assessments charged to any Unit Owner. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors of the Association shall have the same rights of collection and enforcement of any License Fees as they have for Association Maintenance Charges and Special Assessments as provided for in Article XII or elsewhere in the Declaration of Covenants and Restrictions or the Association By-Laws.

License Agreement

The Sponsor shall be authorized to execute all initial License Agreements for a Parking Space, for any Parking Spaces entered into with a Residential Unit Owner, and to receive any initial proceeds of such License Agreement ("Parking Space License Expense"). A designated member of the Board of Directors of the Association shall be authorized and required to execute the License Agreement on behalf of the Association as the Licensor of the License Agreement.

Rules and Regulations

The License Agreement, of a Licensee who is a Residential Unit Owner, for a Parking Space may be assigned and/or rented only to another Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions ("Assignee or "Tenant"). The License Agreement of a Licensee who is a Non-Residential Unit Owner for a Parking Space may be assigned and/or rented to a Non-Residential Unit Owner or a tenant of a Non-Residential Unit Owner ("Assignee or "Tenant"). The Board of Directors of the Association shall have the right to promulgate rules and regulations regarding the assignment or rental of the Parking Spaces. In no event shall the Board of Directors of the Association have the right to prohibit the right of a Residential Unit Owner or the Sponsor to assign or rent a Parking Space to a purchaser of the Residential Unit Owner or another Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions or to prohibit the right of a Non-

Residential Unit Owner to assign the License Agreement or lease the Parking Space to another Non-Residential Unit Owner or a tenant of a Non-Residential Unit Owner. The Board of Directors of the Association shall have the right to approve the form of a License Agreement or promulgate a standard form for use by all Residential Unit Owners. Notwithstanding, as long as the Sponsor retains an Unsold Residential Unit in any Condominium subject to the Declaration of Covenants and Restrictions, the Sponsor shall have the right to utilize any form of License Agreement without interference with the Board of Directors of the Association.

Unit Owners must comply with all applicable laws regarding the Parking Spaces, which may be subject to periodic inspection by the police and fire departments of the City of Long Beach and other governmental agencies having jurisdiction thereover. In addition, the Parking Spaces may not be completed until after the Closing of Title of a Residential Unit in a condominium subject to the Declaration of Covenants and Restrictions and the fact that a Parking Space may not be available for use at the time of Closing will not constitute a basis for Residential Unit Owner to fail to Close Title to a Residential Unit.

Sponsor

In the event there are Parking Spaces that have not been Licensed to a Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions after the Sponsor has conveyed all of the Residential Units in either the Condominium or any other Condominium subject to the Declaration of Covenants and Restrictions to bona fide Purchasers, the Sponsor shall have the right but not the obligation to assign the rights pursuant to a License Agreement for any non-licensed Parking Space to the Board of Directors of the Association, subject to the Parking Space License Expense. Sponsor shall be obligated to pay any applicable License Fee to the Association for such Parking Space(s) that are not subject to a License Agreement or assigned to the Board of Directors of the Association.

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XIV. CABANAS

General

Cabanas will be subject to a License Agreement between a Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions as the Licensee and the Board of Directors of the Association as the Licensor. The Board of Directors of the Association shall be required to keep a list of all Cabanas and the Residential Units that are subject to a License Agreement or subject to a rental. All Residential Unit Owners subject to the Declaration of Covenants and Restrictions shall be required to advise the Board of Directors of the Association of any assignment or rental of any Cabanas pursuant to a License Agreement within ten (10) days of such assignment or rental.

Use

Cabanas may only be utilized by a Licensee who owns, or simultaneously with entering into a Cabana License Agreement is acquiring a Residential Unit in the Condominium or in the Subsequent Phase, subject to the Declaration of Covenants and Restrictions and By-Laws and any Rules and Regulations promulgated by the Board of Directors of the Association regarding the use of a Cabana.

Repair and Maintenance

All structural repairs and maintenance of the Cabanas shall be the responsibility of the Association as a Common Expense, subject to the provisions of Article XIV, Section 3 and any other applicable sections of the Declaration of Covenants and Restrictions. Each Residential Unit Owner who has entered into a License Agreement for a Cabana will be required to pay a monthly License Fee to the Association to cover the costs associated with the Cabanas as determined by the Board of Directors of the Association. The Board of Directors shall have the right to increase or decrease said amount as required by the costs of said services. Said License Fees associated with the Cabanas shall be in addition to the Maintenance Charges and any Special Assessments charged to any Residential Unit Owner. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors of the Association shall have the same rights of collection and enforcement of the License Fees as they have for Association Maintenance Charges and Special Assessments as provided for in this Article XII or elsewhere in the Declaration of Covenants and Restrictions or the Association By-Laws.

All repairs, maintenance, and replacement of the interior of the Cabanas, including but not limited to any fixtures or appliances therein shall be the obligation of the Licensee of such Cabana at the Licensee's sole cost and expense.

License Agreement

The Sponsor shall be authorized to execute all initial License Agreements for a Cabana subject to the Declaration of Covenants and Restrictions, for any Cabanas entered into with a Residential Unit Owner, and to receive the proceeds of such License Agreement ("Cabana License Expense"). A designated member of the Board of Directors of the Association shall be authorized and required to execute the License Agreement on behalf of the Association as the Licensor of the License Agreement.

Rules and Regulations

The License Agreement for a Cabana may only be assigned and rented to another Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions ("Assignee or "Tenant"). The Board of Directors of the Association shall have the right to promulgate rules and regulations regarding the assignment or rental of the Cabanas. In no event shall the Board of Directors of the Association have the right to prohibit the right of a Residential Unit Owner or the Sponsor to assign or rent a Cabana to a purchaser of the Residential Unit Owner or another Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions. The Board of Directors of the Association shall have the right to approve the form of a License Agreement or promulgate a standard form for use by all Residential Unit Owners. Notwithstanding, as long as the Sponsor retains an Unsold Residential Unit in any Condominium subject to the Declaration of Covenants and Restrictions, the Sponsor shall have the right to utilize any form of License Agreement without interference with the Board of Directors of the Association.

Residential Unit Owners must comply with all applicable laws regarding the Cabanas, which may be subject to periodic inspection by the police and fire departments of the City of Long Beach and other governmental agencies having jurisdiction thereover. In addition, the Cabanas may not be completed until after the Closing of Title of a Residential Unit in a condominium subject to the Declaration of Covenants and Restrictions and the fact that a Cabana may not be available for use at the time of Closing will not constitute a basis for Residential Unit Owner to fail to Close Title to a Residential Unit.

Sponsor

In the event there are Cabanas that have not been Licensed to a Residential Unit Owner in a condominium subject to the Declaration of Covenants and Restrictions after the Sponsor has conveyed all of the Residential Units in either the Condominium or any other Condominium subject to the Declaration of Covenants and Restrictions to bona fide Purchasers, the Sponsor shall have the right but not the obligation to assign the rights pursuant to a License Agreement for any non-licensed Cabana to the Board of Directors of the Association, subject to the Cabana License Expense. Sponsor shall be obligated to pay the applicable License Fee to the Association for such Cabana(s) that

are not subject to a License Agreement or assigned to the Board of Directors of the Association.

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XV. CHANGES IN PRICES OR RESIDENTIAL UNITS

The prices for these condominium interests may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar interests. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in sales prices does not constitute a general offering but is rather the result of an individually negotiated Residential Unit purchase. All changes in prices which are an across the board increase or decrease affecting one (1) or more lines of Residential Units or models, or is to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan.

The Sponsor further reserves the right, but not the obligation, to negotiate with a Purchaser on an individual basis in connection with all aspects of the purchase price, including but not limited to: upgrades to the Residential Unit or the fixtures or equipment contained therein or credits or allowances therefore; treatment of reduced and/or split Deposit; financing contingency; extension of period to secure financing; payment of all or part of a Purchaser's acquisition or financing costs such as, but not limited to: origination fees and commitment fees; any and all other costs relating to the cost of acquiring title to the Residential Unit; maintenance subsidies, rebates or other costs associated with maintaining a Residential Unit as a credit against the purchase price or payable on a periodic basis or any other manner as is negotiated between the parties; promotional gifts on purchase of a Residential Unit and application of rent, (if permitted) toward the purchase price. As a result, a Purchaser may receive different terms as other Purchasers for a similar Residential Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms or at its sole option to expand the applicability of such negotiable terms to some or all Purchasers pursuant to Section 352-e of the General Business Law.

Sponsor will not make any changes in the size or number of Residential Units and/or their respective Percentage of Common Interest and no material change will be made in the size or quality of General Common Elements or General Residential Units' Limited Common Elements, except by amendment to the Plan and to the Declaration of Condominium (if the Declaration of Condominium was filed prior to such change). Sponsor reserves the right to change the model mix of the Residential Units as long as the Percentage of Common Interest for the Residential Units is not affected, there is no Purchase Agreement in effect for said Residential Unit, as long as the Sponsor does not change the total number of Residential Units being offered for sale or the total number of Buildings in the Condominium.

Unless an affected Purchaser consents, no material change will be made in Residential Unit size, layout, or Percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Residential 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.

As provided for in the Declaration of Condominium, a Purchaser or Residential Unit Owner who purchases or owns two (2) adjoining Residential Units and is desirous of consolidating the two (2) Residential Units into one (1) Residential Unit may do so subject to obtaining all approvals required by the City of Long Beach Building Department, Nassau County, and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Residential Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Residential Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Residential Units shall be at the Purchaser's or Residential Unit Owner's sole cost and expense.

As further provided for in the Declaration of Condominium, except to the extent prohibited by law, a Purchaser or Residential Unit Owner who combines two (2) or more separate Residential Units into one Residential Unit shall have the right, without the vote or consent of the Condominium Board, to incorporate a portion of General Common Elements which exclusively benefits a Residential Unit into such Residential Unit (such as a portion of a hallway used exclusively by the occupant(s) of such Residential Unit(s), provided that all Residential Unit Owners affected by such alteration to the General Common Elements provide written consent to such alteration to the General Common Elements.

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XVI. INTERIM LEASES

The Sponsor does not intend to enter into interim leases with Purchasers for Residential Units prior to Closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have the Residential Unit Owner's contractors or agents enter the Residential Unit to perform work prior to Closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain as liquidated damages the Deposit plus the Extras as provided for in Special Risk No. 16. Purchasers should refer to Paragraph 22 of the Purchase Agreement.

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XVII. PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale the Residential Units to be constructed in the Condominium for residential occupancy in accordance with applicable municipal zoning regulations.

The sales prices at which the Residential Units are being offered are shown in detail in Schedule A. The Sponsor reserves the right to change the sales prices and to negotiate other terms on an individual basis. See Section XI of the Plan. Any such change will not affect the Common Interest of the Residential Unit; however, some Purchasers may pay a different price for the same model Residential Unit or receive different terms.

Any person may accept Sponsor's offer to sell the Residential Units by entering into a Purchase Agreement with the Sponsor. The Purchase Agreement provides that the Purchaser will purchase from the Sponsor a designated Residential Unit in 100 Boardwalk Condominium described in the Declaration of Condominium creating such Condominium. A Purchaser will be afforded a minimum of three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. Any conflict between the Offering Plan and the Purchase Agreement shall be resolved in favor of the Offering Plan.

Upon signing the Purchase Agreement, the Purchaser shall make a Deposit of up to ten (10%) percent of the purchase price of Purchaser's Residential Unit plus the cost of any Extras ordered by the Purchaser. The minimum Deposit for any Residential Unit shall be $1,000. Upon full payment of the balance of the purchase price and the balance of the cost of any Extras ordered to be paid at the Closing, in cash or by mortgage, Purchaser will receive a bargain and sale deed with covenant against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title to Purchaser of fee ownership in the Residential Unit and such Percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in Section XXIII of the Offering Plan. The Purchase Agreement may be modified with the consent of Purchaser and Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan. Sponsor must either return a fully executed Purchase Agreement within fifteen (15) days to the Purchaser or reject the Purchase Agreement and refund the deposit monies. In the event the Sponsor does not act within said fifteen (15) day period the Purchase Agreement will be deemed rejected by the Sponsor.

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

Sponsor anticipates that the Closing of Title to the first Residential Unit will occur by March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such

as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. If the common charges and maintenance charges combined in an amended budget exceeds the monthly Common and Maintenance Charges in Schedules B and C combined by twenty-five (25%) percent or more the Sponsor will offer all Purchasers the right to rescind their Purchase Agreement and have their deposits returned, provided such election to rescind is received by Sponsor within a reasonable period of time but not less than fifteen (15) days of the date of presentation of the amendment disclosing the revised budget.

The Sponsor anticipates that Closing of the first Residential Unit will occur by March 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 February 28, 2025, twelve (12) months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date of the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Residential Unit Closing occurs before February 28, 2025, the Sponsor may schedule the Closings of Title to other Residential Units significantly later than such date. Some Purchase Agreements may not include an outside Closing Date and unless a Purchaser's Purchase Agreement contains an outside Closing Date, as provided below, the Sponsor is not obligated to schedule a Closing within any specified time frame or to ensure that Closing of Title to a Residential Unit will occur by any date certain. Purchasers should note that even if the first Closing occurs on or before March 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 Residential Units may be substantially delayed beyond such dates if a Certificate of Occupancy has not been issued for such Residential Units. 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, Purchasers will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT. In the event, however, Sponsor cannot convey title to the Residential Unit on or before twelve (12) months from the estimated date of conveyance in the Purchase Agreement, affected Purchasers will be afforded the right of rescission.

In the event Sponsor is unable to convey title to a Residential Unit twelve (12) months after the proposed date of delivery set forth in the Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the Deposit advanced by Purchaser returned to Purchaser. Purchaser shall be obligated to notify the Sponsor in writing of its intent to exercise said option no later than thirty (30)

days after the twelve (12) month period. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Sponsor shall be unable to convey title to the Residential Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and the Sponsor shall return all monies being held in escrow within thirty (30) days thereafter. See Paragraph 6 of the Purchase Agreement in Part II of the Plan.

After the Offering Plan is declared effective the Sponsor will give each Purchaser who entered into a Purchase Agreement not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to the Purchaser's Residential Unit unless a Purchaser waives such thirty (30) day notice. A form for such waiver is contained as Schedule D-3 to the Offering Plan.

The Purchase Agreement for a Residential Unit may not be assigned by Purchaser without the written consent of Sponsor. There will be no fee for the assignment of a Purchase Agreement.

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

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

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. Any Purchaser who does not close title to the Residential Unit as a result of their inability to obtain a mortgage any pay the balance of their Purchase Price may lose their Deposit plus the Extras as provided for in Special Risk No. 16 as liquidated damages. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as the availability or cost of such financing. See Section XVIII of the Offering Plan.

The Purchase Agreement provides that in the event Purchaser fails to appear and Close Title in accordance with the Purchase Agreement or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor has the right to send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed cancelled and Sponsor shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Sponsor on account of the Purchase Price plus all additional sums paid by Purchaser for all Extras which have been installed by Sponsor, not installed but paid for by Sponsor or which have not been installed but ordered by Sponsor and which Sponsor is obligated to pay. **TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.**

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

ESCROW AND TRUST FUND PROVISIONS

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

The Escrow Agent:

The law firm of Certilman Balin Adler and Hyman, LLP with an address at 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554 telephone number (516) 296-7000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Richard Herzbach, Howard M. Stein, Jodi Hoffman, David Herold and Michael O'Shea are the signatories on said account. All of said signatories are admitted to practice law in the State of New York.

The Escrow Account:

The Escrow Agent has established the escrow account at M & T Bank (the "Bank"), with an address at 845 Franklin Avenue, Garden City, New York 11530, a bank authorized to do business in the State of New York. The escrow account is entitled "100 Boardwalk Condominium/Certilman Balin Adler & Hyman, LLP Attorney IOLA Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. If an individual makes a Deposit in excess of said amount for the purchase of a Residential Unit, it is a special risk of this offer that such deposit will not be federally insured in excess of said amount. Purchasers should note that if the Purchaser has any accounts in the Bank, the funds in those accounts will count towards the $250,000 FDIC insurance limit.

Sponsor has entered into an indemnity agreement which provides for Everest Reinsurance Company, Warren Corporate Center, 100 Everest Way, Warren, New Jersey, a New Jersey company (the "Surety") to issue Surety Bonds which at Sponsor's option will enable the Sponsor to release the funds being held in the escrow account and to utilize all Deposits secured by the bond. The Surety is authorized to do business in New York and is licensed to write insurance in the State of New York by the New York State Department of Insurance. The Surety and its parent company have a rating for debt securities of A++ from A.M. Best and AA from Standard and Poor's. In the event the Sponsor does not utilize a Surety Bond to secure the Purchaser's Deposit the escrow deposit will remain in the Escrow Account pursuant to the provisions contained herein.

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

Any Deposits made for Extras shall initially be deposited into the Escrow Account and released in accordance with the terms of a written agreement between Purchaser and Sponsor as per Paragraph 15 of the Purchase Agreement.

The Escrow Account is an Interest-on-Lawyer Account ("IOLA") account consistent with Section 497 of the Judiciary Law of the State of New York. Pursuant to said law, all interest earned on the IOLA account will be paid to the State of New York. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Schedule D in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 31 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification of Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Purchaser shall be required to complete the Tender of Escrow Agreement contained as Schedule D-1 in Part II of the Offering Plan upon execution of the Purchase Agreement. Thereafter, at Sponsor's option and upon receipt by the Escrow Agent of a copy of the Surety Bond issued to the Purchaser the escrow funds will be released by the Escrow Agent to the Sponsor. In the event the Sponsor does not utilize a Surety Bond to secure the Purchaser's Deposit the escrow deposit will remain in the Escrow Account pursuant to the provisions contained herein. Within ten (10) business days of the placing of the deposit in the Escrow Account, the Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number of the account.

Any Deposits made for Extras to a Residential Unit shall be initially deposited into the Escrow Account and released in accordance with the terms of a written agreement between Purchaser and Sponsor as provided in Paragraph 15 of the Purchase Agreement for a Residential Unit.

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

Release of Funds

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

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

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to the terms and conditions set forth in the Purchase Agreement upon Closing of Title to the Residential Unit; or

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

(c) until the Escrow Agent receives a copy of the Surety Bond issued to the Purchaser whose funds are being released; or

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

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

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

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

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

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

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

Surety Bond

As stated above, at Sponsor's option the escrow funds will be released by the Escrow Agent to the Sponsor upon receipt by the Escrow Agent of a copy of the Surety Bond from the Surety issued to the Purchaser whose funds are being released. In the event the Sponsor does not utilize a Surety Bond to secure the Purchaser's Deposit the escrow deposit will remain in the Escrow Account pursuant to the provisions contained herein.

The agreement for the Surety Bond between the Sponsor and the Surety provides for a premium which will be paid by the Sponsor to the Surety. The agreement further provides that the Sponsor will indemnify the Surety in the event of any liability by such Surety. In addition, the Agreement and the proposed Surety Bond provides that the Surety will abide by the escrow directives contained in the regulations promulgated

by the Attorney General's Office under Part 20.3(o). A copy of the Surety Bond is contained in Part II of the Offering Plan as Schedule D-6.

The Surety Bond will continue in effect until consummation and closing of the sale of the Residential Unit or until the secured funds of a Purchaser have been returned in full, or until the funds secured by the Surety Bond have been placed in an escrow account as previously disclosed or until there is an undisputed Purchaser default or until a final non-appealable order or judgment of a court that the Purchaser has defaulted and that the Sponsor is entitled to the secured funds.

The Sponsor shall cause the Surety or Escrow Agent to mail or personally deliver a copy of the Surety Bond to the Purchaser before the funds are released to the Sponsor from the Escrow Account disclosed above. The Sponsor, the Escrow Agent and the Surety shall each retain a copy of the Surety Bond.

The Purchaser shall have the right to demand payment of the amount secured by the Surety Bond directly from the Surety, without first requesting payment from the Sponsor. The Surety shall be obligated to pay the amount secured by the Surety Bond to the Purchaser without the consent or despite the objection of the Sponsor, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an Amendment to the Plan;

(b) acceptance for filing by the Department of Law of an Amendment abandoning the Plan;

(c) pursuant to the terms and conditions set forth in the Purchase Agreement upon Closing of Title to the Residential Unit;

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

(e) by a final, non-appealable order of judgment of a court;

(f) failure by the Sponsor to obtain a commitment by the Surety company to renew the surety bond sixty (60) days prior to its expiration; and

(g) direction by the Sponsor upon request of the Purchaser.

A Purchaser's inability to produce a copy of the Surety Bond shall not be a basis for the Surety to reject the Purchaser's claim. The Surety shall retain a copy of the Surety Bond and shall pay the secured funds to the Purchaser, without a copy of the Surety Bond, as long as the Purchaser is able to provide proof of identity as the obligee on the bond.

Waiver Void:

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

General:

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

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

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

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XVIII. FINANCING FOR QUALIFIED PURCHASERS

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

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

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. Any Purchaser who does not close title to the Residential Unit as a result of their inability to obtain a mortgage any pay the balance of their Purchase Price may lose their Deposit plus the Extras as provided for in Special Risk No. 16 as liquidated damages. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as the availability or cost of such financing. See Section XV of the Offering Plan.

NO REPRESENTATION IS MADE BY THE SPONSOR AS TO WHETHER ANY PURCHASER WILL QUALIFY FOR FINANCING OR AS TO THE TERMS, COST OR AVAILABILITY OF SUCH FINANCING. THE SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF THEIR APPLICATION FOR FINANCING IS NOT ACCEPTED.

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

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XIX. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Residential Units is contingent upon the Plan being declared effective and no Closing to a Residential Unit will be held until the Plan is declared effective. This Offering Plan will not become effective until bona fide Purchasers, including investors, have executed Purchase Agreements which have been accepted by Sponsor for at least 15% in number of the Residential Units offered under the Plan based on the ninety-five (95) Residential Unit in 100 Boardwalk Condominium (95 x 15% = 15 Residential Units). The Sponsor will give written notice of such effectiveness to Purchasers. In the event no Purchasers close after the Plan has been declared effective, the Sponsor will have to re-declare the Plan effective. Sponsor may declare the Plan effective by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by 13 NYCRR §20.1(d) stating that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. Sponsor will within five (5) business days of said notice submit for filing an amendment to the Plan disclosing the Plan's effectiveness and will file an affidavit of service of the notice on all Purchasers. Sponsors will not Close Title to the first Residential Unit until the Amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General. The Plan will not be declared effective based on Purchase Agreements:

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

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

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

Further, prior to declaring the Plan effective, the Sponsor has the option not to close title to the Residential Units and to abandon the Plan at any time, if less than eighty (80%) percent in number of the Residential Units offered hereby are sold and title to any Residential Unit has not been conveyed. In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within ten (10) days of the abandonment of the Plan. When Purchase Agreements for

eighty (80%) percent of the Residential Unit have been entered into, the Sponsor must declare the Plan effective (95 x 80% = 76 Residential Units).

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than ½% of the total amount of the offering, or (ii) substantial damage or destruction of the buildings by fire or other casualty which cannot be cured for less than ½% of the total offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys' fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law. If Sponsor abandons the Offering Plan, Purchaser's deposits will be returned within five (5) days of the acceptance for filing by the Attorney General's Office of an amendment disclosing the abandonment of the Offering Plan.

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XX. TERMS OF SALE

After the Plan has been declared effective, the Sponsor will fix a date for the Closing of Title to all Residential Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first Closing and setting such Purchaser's Closing Date. Notice will be sent to all Purchasers who have executed and delivered Purchase Agreements to the Sponsor and whose Purchase Agreements are then in effect by (i) personal delivery; or (ii) mailing by regular mail or registered or certified mail with or without return receipt requested, addressed to the Purchasers at the last know residence of such Purchaser or, if the Purchaser has provided written information of an alternative address for notices, addressed to the Purchaser at the alternative address. If Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Purchaser, the mailing shall be addressed to such last business or employment address. Said notice will also include notice of the obligation to pay the balance of the purchase price.

Such notice will be served no less than thirty (30) days before the date set for the Closing of the Residential Units. Sponsor may permit Purchasers to waive the thirty (30) day provision by a written waiver. A form for such waiver of the thirty (30) day notice is contained as Schedule D-3 to the Offering Plan.

On the Closing Date fee title to the Residential Unit will be conveyed to the Purchaser together with the Residential Unit's undivided interest in the Common Elements. The Closing of Title to the first Residential Units are expected to commence by approximately March of 2024. Such Closings, however, will only take place after or simultaneously with the happening of the following events:

1. The delivery to the Residential Unit Owner of a Bargain and Sale Deed with covenants against grantor's acts. A copy of the Deed is set forth as Schedule F, in Part II of the Plan.

2. The Sponsor's repair of any damage from a casualty or other cause that occurs before the Closing of Purchaser's Residential Unit.

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

4. Each Purchaser will be free to obtain title insurance from a title insurance company of their choice. If so requested by the Purchaser, BSD Land Services LLC, 507 Rockaway Avenue, Valley Stream, NY 11581, as agent for a title insurance company licensed to do business in New York State shall agree to insure that such Purchaser has good and marketable fee title in the Residential Unit, free and clear of all liens, encumbrances and title exceptions, except those set forth below, the Deed, and subject to the

provisions of the Declaration of Condominium and By-Laws and any mortgage executed by the Purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law.

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

6. All personal property located within the Common Elements on the date the Declaration of Condominium is filed, that is owned by the Sponsor or the owner of the property, is included as part of the Common Elements, except personal property and equipment that is being utilized by the Sponsor towards construction of the Condominium and unless specifically excepted elsewhere in the Offering Plan.

7. The Declaration of Condominium, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law in the Nassau County Clerk's Office.

8. The Residential Unit and its undivided interest in the Common Elements shall not be subject to the lien of any mortgage at the time of Closing except any mortgage requested by the Purchaser at the time of Closing representing a purchase money mortgage or mortgages taken by the Purchaser.

9. The Sponsor will give each Purchaser who has entered into a Purchase Agreement not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to their Residential Unit unless a Purchaser waives such thirty (30) days' notice. A form for such waiver of the thirty (30) day notice is contained as Schedule D-3 to the Plan.

10. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section XVI will be met, that the Residential Units to be closed have been constructed in accordance with the plans and specifications filed with the City of Long Beach and that the Sponsor has complied with the requirements of this Section.

11. Purchaser shall receive any manufacturers' warranty certificates with respect to equipment and appliances installed in the Residential Unit and Sponsor shall assign any warranties with respect to equipment and appliances installed in Common Elements to the Board of Managers.

12. The Purchaser shall execute the Power of Attorney in the form annexed to the Purchase Agreement designating the Board of Managers as the

Purchaser's attorneys-in-fact, coupled with an interest for the sole purpose of selling, mortgaging, leasing, subleasing, voting or otherwise dealing with any Residential Units acquired by the Board of Managers or their designee in accordance with any of the provisions of the By-Laws and designating the Sponsor as Purchaser's attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration of Condominium are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Residential Units, as built, or amending such Declaration of Condominium to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Tenth, Section (c) of the Declaration of Condominium.

Title to the Residential Unit will be subject to the following:

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

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

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

4. All easements set forth in the By-Laws and Declaration of the Condominium as they are subsequently recorded in the Offering Plan and Purchase Agreement, including:

   (a) Easements in favor of the Owners of other Residential Units to use the pipes, wires, conduits, cable television, and public utility lines located in the Common Elements or in the Residential Unit itself servicing such other Residential Units and/or the Common Elements.

   (b) Easements in favor of the Board of Managers, its agents, contractors or employees to have a right of access to the Residential Unit and to the Common Elements to inspect, maintain or repair or to make repairs to the Residential Unit to prevent damage to the Common Elements or any other Residential Units, to

make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Residential Units or to make repairs to any other Residential Unit.

(c) Easements in favor of those Residential Units having restricted use to portions of the Common Elements;

(d) The Drainage Easement and Maintenance Agreement set forth in Part II of this Offering Plan as Schedule M, to be recorded in the Nassau County Clerk's Office;

(e) The Access Easement and Maintenance Agreement concerning the entrance ramp adjacent to the Development and owned by the owner of the adjacent Breeze Parcel, which Easement and Maintenance Agreement is set forth in Part II of this Offering Plan as Schedule M, to be recorded in the Nassau County Clerk's Office; and

(f) Easements for the continuance of encroachments on the Residential Unit and on the Common Elements by other Residential Units or portions of the Common Elements, now existing by reason of the construction of the Residential Units, or hereafter occurring by reason of the settling or shifting of the Residential Units, or by reason of the repair and/or restoration by the Board of Managers of the Residential Units or such other Residential Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Residential Units stand.

5. The following Declarations, Covenants and Easements and Rights of Record:

(a) Covenants and restrictions set forth in a deed by and between The Elmohar Company and Hudson Market Corporation, dated 9/02/1913, recorded 09/10/1913 in Liber 348 pages 108-110. (Affects Block 116 former Lots 25 and 26);

(b) Electrical Easement contained in an Agreement made by and between Estates of Long Beach and Long Beach Power Company, dated 04/12/1910, recorded on 01/06/1914 in Liber 358 page 452. (Affects streets and rear and side lines); and

WITH REGARD THERETO:

Partial Release of Agreement between Long Island Lighting Company and Jacob Haberman, dated 01/26/1959, recorded 02/16/1959 in Liber 6499 pages 361-364. (Affects Block 115 Lots 5 and 6);

(c) Gas Easement contained in an Agreement made by and between Estates of Long Beach and Charles Pope Caldwell and J. Edward Murphy, dated 07/13/1915, recorded on 06/13/1916 in Liber 440 page 174. (affects streets);

(d) Electric Easement contained in an Agreement made by and between Jacob Haberman and Long Island Lighting Company, dated 01/26/1959, recorded on 02/16/1959 in Liber 6499 pages 320-324. (Affects Block 115 part of Lots 5 to 10);

(e) Covenants and restrictions set forth in a deed by and between County of Nassau and Aeterna Development Corp., dated 04/27/1987, recorded 04/29/1987 in Liber 9808 pages 722-724. (Affects former Block: 115 Lots: 16 to 40 and 51 to 65);

(f) Covenants and agreements contained in deed made by the City of Long Beach to Shore Development Partners LLC dated 10/30/2006 and recorded on 11/06/2006 in Liber 12193 pages 258-261. (Affects Block 115 Lots 1 to 70 and Block 116 lots 1 to 23 and 25 to 37); and

WITH REGARD THERETO:

Termination of Deed Restriction made by The City of Long Beach dated 05/05/2015, recorded on 05/18/2015 in Liber 13210 pages 270-274. Terminates the restriction in paragraph (c) of the above mentioned deed; and

(a) Declaration of Covenants and Restrictions recorded in Liber 14136 page 780 and Liber 14177 page 546.

6. Any additional declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Residential Unit as a one (1) family residence; and

7. All of the terms, covenants, and conditions of the Declaration of Covenants and Restrictions and By-Laws of The Boardwalk Long Beach Homeowners Association, Inc. and any Amendments or supplements thereto.

The Sponsor has been advised by its counsel that in counsel's opinion, none of the exceptions to title herein above set forth are contrary to the terms of the purchase agreement nor will they interfere with the quiet use or enjoyment of the Purchaser's Residential Unit.

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XXI. CLOSING COSTS AND ADJUSTMENTS

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

1. Fee title insurance is available through BSD Land Services LLC, 507 Rockaway Avenue, Valley Stream, NY 11581, as agent for a title company licensed to do business in the State of New York. The estimated rate of fee title insurance is $10.06 per thousand for the first $50,000 of fee title insurance, approximately $5.43 for each additional $1,000 of insurance up to $100,000, approximately $4.36 per thousand for each additional $1,000 up to $500,000 and approximately $3.98 per thousand for each additional $1,000 up to $1,000,000.

2. Mortgage title insurance at the estimated rates of $8.56 per thousand for the first $50,000 of mortgage title insurance, approximately $4.54 for each additional $1,000 of mortgage title insurance up to $100,000, $3.64 per thousand for each additional $1,000 up to $500,000 and approximately $3.31 per thousand for each additional $1,000 up to $1,000,000.

3. When Mortgage title insurance is purchased simultaneously with fee title insurance, and the loan amount to be insured does not exceed the purchase price, the rate for the Mortgage title insurance will be thirty (30%) percent of the rate described in (2) above.

4. Purchasers should anticipate additional fees for miscellaneous expenses including various searches and endorsements. These fees can be estimated to total approximately $730.

5. BSD Land Services' fees are consistent with New York State approved title insurance and endorsement rates.

6. Each Purchaser will be free to obtain title insurance from a title insurance company other than BSD Land Services LLC. Sponsor, however, makes no representation or warranty as to cost, terms or availability of such other title insurance.

7. Recording fees for the recording of the deed, power of attorney, and mortgage total approximately $2,225.

8. In the event the Purchaser shall obtain a purchase money first mortgage, Purchaser shall pay recording fees for the mortgage of approximately $75 and mortgage tax of three-quarters (¾) of one (1%) percent of the full amount of the mortgage requested by Purchaser up to $10,000 and 1.05% of the amount of the mortgage over $10,000. See below for an example of said costs. In addition, the Purchaser will be required to pay any mortgage

origination fees, bank credit and appraisal fees, lending institution's attorney fees and other expenses that the lending institution may charge incident to the making of the permanent loan. Each lending institution may charge a different amount for these items and Purchasers are advised to check with the individual lending institution to ascertain the estimated costs of these items. A portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor will have previously paid in connection with existing mortgage on the Community. There will be no mortgage closing costs pursuant to this paragraph 8 on Residential Units which are not covered by mortgages.

9. New York State transfer tax of $2.00 per $500 of the purchase price. This tax is normally an expense of the Seller; however, by contractual arrangement Sponsor has transferred its statutory obligation to pay transfer taxes to Purchaser. Pursuant to Section 1404(a) of the Tax Law of the State of New York, as amended on July 1, 2021, where the New York State Real Estate Transfer Tax is paid by the Purchaser pursuant to contractual agreement, such tax will be excluded from the total calculation of consideration of the purchase price of a Residential Unit.

10. Section 1402-a and 1402-b of the Tax Law of the State of New York (Mansion Tax) which requires a New York State Tax of one (1%) percent the Purchase Price where the total consideration is $1,000,000 or more.

11. The equivalent of two (2) months' Common Charges to be paid to the Condominium and two (2) months' Maintenance Charges to be paid to the Homeowners Association as initial working capital. While Sponsor is in control of the Board of Managers of the Condominium, the Condominium Working Capital Funds may be used to reduce the Common Charges. Working Capital Funds of the Association may not be used to reduce the Maintenance Charges. The Working Capital Funds may be utilized to reimburse Sponsor for prepaid expenses of the Condominium and/or Association. Any adjustments for prepaid expenses between the Board of Managers or Board of Directors and Sponsor for the Condominium or Association, as applicable, may be deducted only from Working Capital Fund. The only budgetary items that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedules B and C. At such time as the Sponsor relinquishes control of the Board of Directors of the Association, any remaining balance of the Working Capital Funds that has not been utilized will be turned over to the Residential Unit Owner representatives of the Board of Managers and Board of Directors for management and oversight. The Offering Plan does not provide for any minimum Working Capital Fund to be turned over to the Board of

Managers or Board of Directors, regardless of any adjustments to the Sponsor for prepaid expenses.

12. Each Purchaser shall pay its pro-rata share of the total insurance for the Condominium for the then current year of operation to Sponsor based upon the Residential Unit's Percentage of Common Interest in the Condominium.

13. Each Purchaser shall pay its pro-rata share of the total insurance for the Homeowners Association for the then current year of operation to Sponsor based upon the number Units then subject to the Declaration of Covenants and Restrictions and based on each Unit's Association Common Interest.

14. Each Purchaser shall pay a survey fee, water tap fee, and sewer tap fee as indicated in the following example.

15. If there are any existing mortgages or construction loans that will not be satisfied at or prior to the Closing of the first Residential Unit then at the time of conveyance of the first Residential Unit, each mortgagee will either:

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

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

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

As an example, a Purchaser of a Residential Unit for which the purchase price is $1,585,000, where the Percentage of Common Interest in the Condominium applicable to said Residential Unit is 1.031%, and where the Association Common Interest applicable to said Residential Unit (assuming both Phase I and II are subject to the Declaration of Covenants and Restrictions) is 0.506%, and who procures a first mortgage in the amount of $1,268,000 will pay the following approximate closing costs based upon a bulk simultaneous fee and mortgage title policy:

Owners Policy and Endorsements	
Fee Title Insurance:	$ 6,317
Market Value Rider:	$ 632
Loan Policy and Endorsements	
Mortgage Insurance:	$ 1,306
Residential Mortgage:	$ 50

TIRSA-8.1 Environmental Lien:	$ 50
Waiver of Arbitration:	$ 50
TIRSA-4 Condominium:	$ 50
Miscellaneous Charges	
Municipals:	$ 425
Bankruptcy Search:	$ 100
Patriot Search:	$ 100
Escrow Service Fee:	$ 50
Estimated Sales Tax:	$ 55
State and Local Taxes	
Mortgage Tax:	$10,114
Conveying Tax:	$ 6,340
Mansion Tax:	$15,913
Recording Fees	
Record Mortgage (up to 20 pgs + $5 per addl. pg.)	$ 875
Record Deed (up to 3 pgs + $5 per addl. pg.)	$ 920
Condo P.O.A.:	$ 430
Additional Expenses:	
Lender Attorney Fees for Release, Termination, UCC-3	$ 750
Sponsor Title Closer	$ 250
Condominium Working Capital:	$ 480
Homeowners Association Working Capital:	$2,186
Pro-Rata Share of Condominium Insurance:	$2,392
Pro-Rata Share of Association Insurance:	$1,022
Survey Fee:	$ 750
Water Tap Fee:	$ 750
Sewer Tap Fee:	$ 850
Lender's Mortgage Questionnaire	$ 150
Sponsor Attorney Fees for Preparation of Documents:	$ 1,750
TOTAL:	**$55,107**

The above fees are subject to change and may be higher or lower than provided above and will be determined based upon said closing costs at the time of the closing of each individual Residential Unit.

In addition, if a Closing takes place, at the request of Purchaser, at any location other than at the East Meadow offices of Certilman Balin Adler & Hyman, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $750.

In the event a Closing is adjourned with Sponsor's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney and adjournment fee in the sum of $750.

In the event the Residential Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Residential Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Residential Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Residential Unit. In the event the actual assessment is greater than the amount adjusted, Purchaser agrees to reimburse Sponsor after the Closing to the extent of the actual assessment. In the event the actual assessment is less than the amount adjusted, Sponsor agrees to reimburse the Purchaser after the Closing to the extent of the actual assessment.

Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the Unsold Residential Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Residential Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Residential Units are separately assessed, the funder of the escrow account will be reimbursed for any overpayment of taxes or assessed for an underpayment.

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

The fee title policy premiums, costs and the recording charges set forth above are estimates based on the rates in effect as of the date of this Offering Plan. If said premiums, charges or rates are subsequently revised by the title company, the State, or

Municipality, each Purchaser shall be required to pay the title policy premiums, recording charges and Closing Costs in effect as of the date of the Closing of Title to their Residential Unit.

The Sponsor anticipates that the only items which will be apportioned at the Closing of Title to Residential Units will be real estate taxes and sewer charges, if any, and Common Charges and Maintenance Charges, if they have been declared by the Board of Managers and Board of Directors. The adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at Closing, said items will be adjusted at the Closing. The Sponsor will advise the Purchaser of the Closing Date by giving the Purchaser written notice as stated in Section XVII of the Offering Plan.

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XXII. RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. All obligations pertaining to the Common Elements shall only be enforceable by the Board of Managers of the Condominium or the Board of Directors of the Association on behalf of the Unit Owners and not by the individual Unit Owner.

During the time the principals of the Sponsor control the respective Boards it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements of the Condominium. Sponsor is obligated to perform the following:

1. Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium. Notwithstanding, Sponsor retains the unconditional right to rent after the Offering Plan is consummated rather than sell all of the Residential Units. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the Offering Plan is consummated, this Plan may result in the creation of a Condominium in which a majority of the Residential Units are not owned by owner-occupants unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor sells an Unsold Residential Unit that was previously occupied by a tenant, the Residential Unit will be sold in its then current “As-Is” condition.

2. The Sponsor has an obligation to defend any suits or proceedings arising out of Sponsor’s acts or omissions and to indemnify the Board of Managers and Unit Owners.

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

4. Until title to a Residential Unit is passed to a Purchaser, the Sponsor will pay such Common and Maintenance Charges, Special Assessments, and real estate taxes, as are assessed by the Board of Managers of the Condominium and Board of Directors of the Association to the extent obligated within the terms of this Offering Plan and the municipality on Residential Units, whether built or unbuilt, to which title has not passed. Once title is passed to a Purchaser the Purchaser shall be solely responsible for all Common and Maintenance Charges, Special Assessments, real estate taxes and all other costs applicable to the Residential Unit, as are assessed by the Board of Managers of the

Condominium or the Board of Directors of the Association, and the municipality. No bond or other security has been posted to secure such obligations. Sponsor will fund its financial obligations to the Condominium and the Association from the income derived from the sale of Residential Units and Sponsor's assets and working capital which are currently sufficient to meet Sponsor's obligations under the Offering Plan. Sponsor presently has the resources to fund such obligations.

5. The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the Closing of a Purchaser's Residential Unit.

6. Sponsor will initially procure fire and casualty insurance for the Condominium and the Association on the terms set forth in the respective budgets. In the event there is insufficient funds in the Condominium to pay for such insurance, Sponsor may lend the Condominium or Association such funds and will be repaid out of subsequent Common and Maintenance Charges collected. No Board or Residential Unit Owner approval is required to make such loan.

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

8. As of the date of the Offering Plan the Sponsor has obtained loans that will enable the Sponsor to construct the Building. The loans are held by Acore Capital Mortgage, LP, with offices located at 80 E. Sir Francis Drake Blvd., Suite 2A, Larkspur, CA 94939, as Administrative Agent for the lenders ("Lender") and permit the Sponsor to market the Residential Units for sale subject to a release price at each closing. The loans do not provide for any minimum number of percentage of Residential Units that must be under contract before the Offering Plan can be declared effective. The loans do not have any limitations or requirements that have been imposed by the Lender that require when the Sponsor may rent rather than sell under specified market conditions, except that the Sponsor cannot enter into any leases without the prior written consent of the Lender. The Sponsor is obligated to pay off and otherwise comply with the terms of the loans on the entire Condominium and is required to release each Unit from the loans at the time of Closing.

9. The Sponsor will diligently, expeditiously and at its own cost, complete construction of the Community substantially in accordance with the plans and specifications described herein and will diligently perform all of its

obligations set forth in this Offering Plan and will deliver to the Board of Managers a copy of the "as built" plans filed with the recording of the Declaration of Condominium or any amendment thereto, and in addition, will provide the Board with a full set of building plans filed with the local municipality together with any "field changes" made during the course of construction. Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of Equal or Better Quality or design for any of those set forth. Sponsor reserves the right to change the size, number and location of the Buildings and other improvements or Common Elements, provided such changes do not change or adversely affect the value or Percentage of Common Interest of any Residential Unit to which title has passed or for which a Purchase Agreement has been executed and is in effect unless all affected Residential Unit Owners and Purchasers consent in writing to such a change. Sponsor further reserves the right to determine the exterior color and design of any building, landscaping, grading and design of all plots and dwellings to fit into the general pattern of the Condominium; determine elevation and location of foundations (including reversal of Residential Unit layout), any walks, any driveways, and streets to conform with topographical conditions; determine the location and type of Residential Unit to be constructed in a particular building; fix the location and setbacks of all Building; determine the ultimate Residential Unit type mix to be constructed in the Condominium; determine whether existing trees, shrubs and other plant life are to be removed; add or remove retaining walls on the lots or Common Elements where required by grade conditions; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, hose bibs, mailboxes, parking spaces, refuse dumpsters and leaders and gutters; determine the size of decks to be constructed on a particular Residential Unit; relocate parking spaces; and make any other changes required by the City of Long Beach.

10. The Sponsor will obtain a permanent or temporary Certificate of Occupancy and any other certificate or permit required by law for the Building or Residential Unit before the Closing of Title to a Residential Unit and will, at its own cost, perform any work and supply any materials necessary to obtain the Certificates or permits. In the event a permanent Certificate of Occupancy is not issued as of the Date of Closing of a Residential Unit, Sponsor anticipates obtaining the permanent Certificate of Occupancy within two (2) years of the Closing of the Residential Unit. However, Sponsor and its principals make no representation or guarantee that the City of Long Beach Building Department will issue the permanent Certificate of Occupancy within such two (2) year period. The Sponsor will renew any temporary Certificate of Occupancy until a permanent

Certificate of Occupancy is issued for the Buildings. Sponsor has the right to Close Title with a temporary Certificate of Occupancy.

In the event a permanent Certificate of Occupancy for the Building or Residential Unit has not been issued as of the Date of Closing for said Residential Unit, the Sponsor will continue to hold all Deposits and funds in the special escrow account required pursuant to Section 352-e (2-b) and 352-h as described in Section XII of the Offering Plan unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon the issuance of the permanent Certificate of Occupancy, such escrow Deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect. In such event, it will disclose such fact by duly filed amendment to the Plan prior to releasing any of the funds from the escrow account.

Purchasers are advised that in New York, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent Certificate of Occupancy ("PCO") covering the entire building but with only a temporary Certificate of Occupancy ("TCO"), and sometimes with several successive temporary Certificates of Occupancy. Certificates of Occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. The TCOs and PCOs are issued by the City of Long Beach Building Department. A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Residential Units. In the City of Long Beach, it is common for sponsors to commence Residential Unit closings when some or all Residential Units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the entire building within two years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire building and shall exercise its best efforts to obtain the PCO within such two (2) year

period while keeping the TCO current. Residential Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit requiring Building Department approval prior to the issuance of a Permanent Certificate of Occupancy or renewal of a temporary Certificate of Occupancy.

Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit that will prevent the issuance of a permanent Certificate of Occupancy or extension or renewal of a temporary Certificate of Occupancy for the Residential Unit and/or Building. Residential Unit Owners will be permitted to make standard improvements to their Residential Units such as painting, installation of flooring, cabinetry, fixtures etc. as long as the improvements do not affect the ability of the Sponsor to obtain a permanent Certificate of Occupancy or extension or renewal of a temporary Certificate of Occupancy. Residential Unit Owners are responsible for obtaining all necessary permits from the City of Long Beach and any other required municipal agencies for any changes the Residential Unit Owner makes to their Residential Unit subsequent to the Closing of Title with the Sponsor. Sponsor will not be liable for nor responsible to a Residential Unit Owner in the event an inspection by the Building Department of the City of Long Beach prevents the issuance of a renewal and/or extension of a temporary Certificate of Occupancy or permanent Certificate of Occupancy as a result of changes made to the Residential Unit by a Residential Unit Owner. In such an event, Sponsor shall provide documentation substantiating the assertion that the Residential Unit Owner's changes prevented the issuance of a PCO or renewal of a TCO for the Property. In the event a Residential Unit Owner makes any changes, additions or alterations to their Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Residential Unit and/or Building, the Residential Unit Owner shall reimburse Sponsor within ten (10) days following Sponsor's demand therefore, for any and all costs incurred by Sponsor with respect to Residential Unit Owner's changes to the Residential Unit that prevent the extension or renewal of a Temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Building Department of the City of Long Beach.

11. The Housing Merchant Implied Warranty (General Business Law Article 36-B) does not apply to this offering as a result of the fact the statue applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to Purchasers under a cooperative or condominium regime. As the Building contains over (5) construction floors, the statute is not applicable. Construction floors refers to the total number of actual floors

within the building (i.e., 11 floors), which number may differ from the floors being marketed within the Condominium (e.g., the 11th construction floor is marketed as the “Penthouse” floor). The Sponsor has the obligation nevertheless, to construct the Building in accordance with applicable Law, codes, regulations, filed plans and specifications. Except as disclosed in paragraph 13, the Sponsor is not warranting the materials or workmanship of each Residential Unit, Limited Common Elements or General Common Elements.

At or prior to the Closing of Title to a Residential Unit, Sponsor will assign any manufacturer’s warranties with respect to equipment and appliances installed in the Residential Unit to the Residential Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers. Title will not close until a temporary certificate of occupancy has been issued covering the unit or building in which the Residential Unit is located. In the event a temporary certificate of occupancy is issued, Sponsor shall keep the temporary certificate of occupancy in full force and effect until a permanent certificate of occupancy is issued. Sponsor’s liability pursuant to any manufacturers’ warranties covering heating, appliances, electricity and plumbing are limited solely to the extent that such warranties are delivered to Sponsor, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. Sponsor will correct any defects in the construction of the Residential Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship materially at variance with the Plans and Specifications disclosed in the Offering Plan and filed with the City of Long Beach Building Department, provided only that it is notified of such defects in writing by certified mail within six (6) months from the date of Closing of Title to the Residential Unit in which an alleged patent defect and one (1) year from the Closing of Title to the Residential Unit an alleged latent defect exists. If a defect occurs in an item which is covered by this warranty, Sponsor or Sponsor’s contractors will (a) repair or (b) replace the defective item with an adequate substitute or replacement. The choice between repair or replacement is Sponsor’s.

Other than above Sponsor shall not be obligated to correct or cause to be corrected any latent or patent defects in construction of a Residential Unit or the Common Elements, no matter how designated, or in the installation or operation of any mechanical equipment therein. However, in the event correction of a defect is covered under any guaranty or warranty given to Sponsor by the construction consultant, general contractor or construction manager (collectively the "general contractor”) engaged by Sponsor to complete construction of the building (or by any contractor or subcontractor engaged by the general contractor or Sponsor), Sponsor has the option, but shall not be obligated to, apply to the general

contractor to correct the defect. In order for Sponsor to consider bringing the defect to the attention of the general contractor, Sponsor must be notified in writing: (i) by the Residential Unit Owner to whom Sponsor sold a Residential Unit, within six (6) months following the closing of the sale of the Residential Unit to the Residential Unit Owner if an alleged patent defect concerns that Residential Unit. The Sponsor must be notified for any latent defects within the Residential Unit, or latent defects within the Common Elements affecting a Residential Unit within one (1) year from the date of closing of the Residential Unit; or (ii) by the Board of Managers, within six (6) months from the Closing of Title to the first Residential Unit, covering the entire Building if an alleged patent defect and one (1) year from the Closing of Title to the first Residential Unit for alleged latent defects that concern the common elements. If Sponsor is not notified within these time periods, Sponsor shall not have any obligation to consider causing remediation of the problem. In no event, however, shall Sponsor be obligated to compel, or to take action to compel, the general contractor (or any contractor or subcontractor) to perform under any guaranty or warranty given by it in connection with work performed at the property.

Sponsor and/or its general contractor, and/or the pertinent contractor or subcontractor, in its or their sole discretion, shall select the method of correcting any defect to be corrected hereunder. On three (3) days' notice from sponsor and/or its general contractor, and/or the pertinent contractor or subcontractor, the Residential Unit Owner, purchaser or the board of managers, as applicable, shall allow Sponsor, Sponsor's contractors, agents or licensees and/or the managing agent access to the Residential Unit or area in question on any weekday to inspect and/or correct such defect. Construction shall be in accordance with the plans and specifications. Sponsor shall be deemed to have discharged any commitment it may have made or be deemed to have made with respect to curing defects, if (i) Sponsor is not notified of the defect, (ii) the Residential Unit Owner, Purchaser or board, as applicable, prevents Sponsor, Sponsor's contractors, agents or licensees and/or managing agent access to the building and/or the Residential Unit where corrective work has been requested, or (iii) Sponsor shall have corrected or caused to be corrected the defect in accordance with the practice of the industry as said practice is determined by Sponsor's general contractor or architect or engineer, in its sole discretion. Notwithstanding the foregoing, Sponsor shall not be responsible for correcting or repairing any defects in construction or defects in the installation or operation of any appliances (including, without limitation, kitchen appliances and washers and dryers), equipment or fixtures with respect to which warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others, are delivered and/or assigned to either a residential unit owner or the board of managers. Also, Sponsor's

undertaking to correct defects as described above, runs only to Residential Unit Owners who have purchased a Residential Unit from Sponsor. It does not run to owners who purchased Residential Units on resale by other Residential Unit Owners.

In addition to the above, in no event shall Sponsor be responsible for any condition resulting from normal wear and tear or within normal construction tolerances or natural deterioration of from the normal shifting or settling of the building, or for any defects of insubstantial nature, (i.e. does not constitute defective workmanship by the Sponsor or by an agent, employee or subcontractor of the Sponsor; defective material supplied by the Sponsor or by an agent, employee or subcontractor of the Sponsor; or defective design provided by a design professional retained exclusively by the Sponsor) including but not limited to partial or total death of any landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, tile, marble and granite grouting, separation in joints of tile, marble, granite or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air filtration from windows, and consequential damage resulting from settlement or normal plumbing, heating and air conditioning, noises, or carpet discoloration and stretching.

Unless caused by a code violation, Sponsor disclaims any warranty with respect to mold, mildew, spores, fungi or other toxins within the building, including without limitation, the common elements, the limited common elements or any unit of the condominium. There is no warranty as to view or light quality. The Sponsor's obligation is to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Sponsor has not given, and the board has not relied on or bargained for any such warranties. In no event shall Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

Nothing contained herein shall obligate sponsor to pay or be liable for any housing, hotel, relocation, or storage costs or expenses during any period of time required for Sponsor or the general contractor to fulfill any obligation under the plan or under any guaranty or warranty given to Sponsor by the general contractor to repair or replace any defective item of construction.

Notwithstanding anything contained herein, (a) in the event that Sponsor, as a gesture of good will, offers to perform corrective work that sponsor is not otherwise obliged to perform under the plan ("good will work"), said offer or performance of such good will work shall not be deemed to be or constitute a waiver of Sponsor's rights as set forth herein above, and (b) prior to performing said good will work, Sponsor shall be entitled to a

written acknowledgement from the Purchaser or board, for whom the good will work is to be performed, (i) specifying the scope of the good will work, (ii) acknowledging that the plan does not oblige Sponsor to perform said work, and (iii) that the Purchaser or board disclaims any right or entitlement to the performance of said work.

Purchaser should note that:

A. No steps taken by Sponsor or Sponsor's contractors to correct a defect shall act to extend the warranty period.

B. Sponsor accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect.

C. These warranties give you, as Purchaser, specified legal rights. You may have other rights under state law.

D. These warranties are extended to you, as Purchaser, and are not extended to any subsequent Purchaser, tenant, or mortgage lender who takes possession of the unit.

E. These warranties shall be void if Purchaser, tenant or occupant, misuses, abuses or otherwise interferes with or changes Sponsor's original construction or installations, or if Purchaser, tenant or occupant hires any outside contractor to do any work during the warranty period.

F. Sponsor is not responsible for any work or material ordered directly by Purchaser from Sponsor's contractors or suppliers, or other outside suppliers and contractors.

G. In no event will Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the building and/or building materials; (ii) defects of an insubstantial nature (i.e. does not constitute defective workmanship by the Sponsor or by an agent, employee or subcontractor of the Sponsor; defective material supplied by the Sponsor or by an agent, employee or subcontractor of the Sponsor; or defective design provided by a design professional retained exclusively by the Sponsor), such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements that may abut the building, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square;

electrical plates not straight; discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the building (iv) deviations in the level of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than 90° from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing and HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) scratches and imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) the Sponsor cannot, and will not be responsible for any and all indoor climatic change such as elevated and lower humidity levels, temperature swings, sun light that can affect hardwood flooring, cabinetry, drywall and any products/surfaces within the building or individual dwellings that are not maintained through mechanical devices such as thermostats as recommended by the manufacturers of the products installed which is the responsibility of the residential unit owner. Only approved cleaning products are appropriate for use on floor products. Use of non-approved flooring approved cleaning and maintenance products, including oil soap or ammonia-based products, will void all warranties; (xiv) color changes to any flooring which results from exposure to UV light are not covered by any limited warranties. Normal exposure to sunlight will cause changes in the shading of any wood floor and this is not considered a defect. Area rugs should be moved occasionally, as they block sunlight and may give the appearance of discoloration under the rug. After your floor is installed, it is critical to maintain the temperature and humidity of the unit within the ranges set forth in the applicable installation instructions for the product. Failure to follow these guidelines, especially with regard to humidity range, can result in a performance failure or damage to the floor. In addition, it is important to maintain all floors in accordance with the flooring maintenance instructions; (xv) damage or unsatisfactory performance caused by excessive moisture or moisture vapor including, but not limited to, improper humidity inside the home, excessive ground moisture that migrates into the unit for any reason, excessive sub-floor moisture, water leaks caused by broken pipes or appliances, improper cleaning methods such as wet mopping or automated cleaning machines, weather conditions or natural disasters such as flooding or excessive rainfall are not covered by the limited warranty; (xvi) wood is a natural product, it will tend to expand and contract as moisture and humidity levels inside the unit may change. Accordingly, normal expansion and contraction which

results in minor separations between flooring boards are not covered by these warranties; (xvii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, window sashes, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, bowls, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the residential unit closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xviii) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or variations in veining of any natural stone surfaces; (xix) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xx) ponding and/or controlled drainage on the roof surface; (xxi) cracks in pressure-treated lumber used or intended for use outside the building; (xxii) cracks or discoloration in concrete and/or paving; (xxiii) discoloration to hardware and plumbing finishes; (xxiv) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xxv) scratched, dirty or cracked lenses in light fixtures; or (xxvi) terrace or balcony tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxvii) subsequent to the residential unit closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxviii) salting or color variation in exterior colored mortar and deep colored brick; (xxix) remove mold from the building or any residential unit therein, or (xxx) or normal water penetration in frameless shower doors. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. The items and conditions described in this section are not defects and may be found in any newly constructed building. Purchasers who purchase a Residential Unit in the Building or in any other newly constructed building may experience some or all of these items and conditions in their Residential Unit, the common elements or elsewhere in the Building. Sponsor has no obligation to correct or repair any of these items and conditions and will not be liable to any purchaser or the Board of Managers of the Condominium. If Purchaser or the Board of Managers of the Condominium desires to correct or repair any of these items or conditions, to the extent they can be corrected or repaired, they will have to proceed at their sole cost and expense by themselves and/or under any warranties or undertakings assigned to them by Sponsor.

H. Purchaser further acknowledges that Sponsor has no obligation to make any repair to the Common Elements except as expressly set forth in the Offering Plan and under applicable laws.

I. Any corrective work done by Sponsor as outlined above are specifically in lieu of any other guarantee or warranty, express or implied, including, without limitation, any warranty of merchantability, habitability or workmanlike construction. Notwithstanding, the Sponsor is bound by the requirements of any applicable laws, including General Business Law 23-A.

J. Any dispute regarding the limited warranties contained in section 38 of the Purchase Agreement shall be resolved by arbitration in accordance with Article XIII of the By-Laws and the parties waive their rights to a trial by judge or jury.

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any defect or condition in any Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied. Notwithstanding, the Sponsor is bound by the requirements of any applicable laws, including General Business Law Article 23-A. Notwithstanding anything to the contrary in the foregoing discussion, both Unit Owners and the Board of Managers shall be obligated to permit Sponsor and its contractors and agent's access to Units and the Common Elements at the request of Sponsor and/or its contractors and agents, in order for Sponsor to complete construction in accordance with this Offering Plan upon reasonable notice to the Purchaser. As a result, the use of a Residential Unit by a Residential Unit Owner while the Sponsor is doing such work may be curtailed. Sponsor shall be obligated to repair any damage to a Residential Unit as a result of any work done pursuant to this paragraph. References in this Section or elsewhere this Offering Plan to excluded repairs or excluded conditions with respect to various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work, renovation or rehabilitation or to install any equipment, fixtures or appliances or other items except, in each case, as expressly provided in "Description of Property and Specifications or Building Conditions." Notwithstanding, the Sponsor is bound by the requirements of any applicable laws, including General Business Law Article 23-A.

The Sponsor reserves the right to amend the Plans and Specifications disclosed in the Offering Plan and to make changes in the materials, appliances equipment and fixtures if (a) required or approved or accepted by governmental authorities having jurisdiction over the Property or by the Sponsor's architect; or (b) required by job conditions, local shortages or unavailability or materials; or (c) ordered by the Purchaser for his or her Unit without affecting Units previously sold. Changes or substitutions in materials, appliances, fixtures and equipment may also be made by the

Sponsor provided that such substitutions are of Equal or Better Quality. However, the Sponsor may not change the size, the location of the Building, other capital improvements, or the Common Elements if any such change adversely affects the value of any Unit either to which title has closed, or for which a Purchase Agreement has been executed and is in effect, unless all of the directly affected Unit Owners consent in writing to such change and all directly affected contract vendees are given the right to rescind and receive a refund of their Deposits. All the foregoing amendments, modifications and changes to the Plans and Specifications may be made without prior notice or amendment to this Offering Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for Purchaser's Residential Unit or otherwise be relieved of any obligations under the Purchase Agreement by virtue of a minor change, inaccuracy or error in the floor plans of an increase or decrease of an immaterial amount. A decrease in a Residential Unit's area of five (5%) percent or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by five (5%) percent or less is not material. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of a minor change, inaccuracy or error in Percentage of Common Interest of five (5%) percent or less. In the event of any material and adverse change as reflected above, Sponsor's sole obligation shall be to offer the materially adversely affected Purchaser(s), not then in default, the right, for at least fifteen (15) days, to rescind their Purchase Agreement(s) and receive a refund of their Deposit together with any interest earned thereon.

Regarding the Common Elements of the Condominium not covered by any Limited Warranty, the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially (i.e. does not constitute defective workmanship by the Sponsor or by an agent, employee or subcontractor of the Sponsor; defective material supplied by the Sponsor or by an agent, employee or subcontractor of the Sponsor; or defective design provided by a design professional retained exclusively by the Sponsor) at variance with this Offering Plan as may be changed by Sponsor from time to time provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within the later of one (1) year from the issuance of a temporary Certificate of Occupancy or six (6) months of the Closing of Title to the first Residential Unit for an alleged patent defect and one (1) year of the Closing of Title to the first Residential Unit for an alleged latent defect. In no event will Sponsor be liable for consequential damages (whether based

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

THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING OR RESIDENTIAL UNIT. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR RESIDENTIAL UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING OR RESIDENTIAL UNIT. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD OF MANAGERS THEREOF. IF PURCHASERS OR ANY BOARD OF MANAGERS DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

The Sponsor has no obligation to make any repair to the Common Elements, no matter how designated, except as expressly set forth in the Offering Plan and under applicable laws.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Offering Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Offering Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of Equal or Better Quality than as set forth in the Plans and Specifications or description in this Offering Plan as solely determined by Sponsor's architect. Any such variation affecting the Building or a Residential Unit which is material will be disclosed in a duly filed amendment to the Offering Plan. Notwithstanding the above, regardless of any limitations in a warranty offered under the Offering Plan or in the Offering Plan, the

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

All personal property located within the Residential Unit on the date the Purchase Agreement is executed or that is located within an Individual Residential Unit's Limited Common Element for the exclusive use of the Residential Unit on the date the Declaration is filed, that is owned by the Sponsor or anyone else, will be included in the conveyance to Purchaser of their Residential Unit unless specifically excepted in the Offering Plan or Purchase Agreement.

A copy of the Notice of Warranty Claim Form is included in Part II as Schedule D-6.

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

13. The Sponsor will pay all contractors, subcontractors and material men and all others involved in the construction of the Condominium and Association for work performed and fixtures, material and equipment supplied or installed in the construction of the Condominium and Association and will cause all mechanics' liens arising out of the construction of the Condominium and Association or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after the liens are filed.

14. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium and Association and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium and the Homeowners Association whenever such costs or expenses are incurred or in connection with the sale of all of the Residential Units held or owned by the Sponsor and will pay all selling expenses including, but not limited to, advertising and printing costs, architect fees, and costs of filing this Offering Plan and amendments thereto.

15. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Areas of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the Condominium for the purpose of

completing construction and sale of Residential Units and facilities in the Association and the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Areas of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Areas of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the Condominium. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. Sponsor further reserves the right to continue to use the Common Areas of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the Condominium, and any facilities, sales offices, model units, signs, and parking spaces located on the Common Areas of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the Condominium without charge, in its efforts to market Residential Units and facilities constructed in the Association and the Condominium and to use the same for exhibitions or other promotional functions until all Units in the Community (including the Residential Units that may be constructed in the Subsequent Phase of the Property) are sold. Sponsor will be obligated to repair any damages to the Common Areas of the Association, the General Common Elements and General Residential Units' Limited Common Elements of the Condominium, and Residential Units caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the Association Common Area and the Condominium. During the construction period some obstructions, detours, storage of materials and storage of construction equipment will likely occur on the site. Patience and understanding of these conditions will be required of Unit Owners. See the Special Risk Section of the Offering Plan.

16. As long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments. Upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for

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

17. Sponsor, its members and designated employees will have easements of ingress and egress and access to the Condominium and Association, their amenities, and parking spaces for as long as the Condominium and Association are in existence for purposes of marketing other communities being developed by Sponsor or affiliated entities or for any other future repair to the Common Area of the Association, General Common Elements and General Residential Units' Limited Common Elements in the Condominium, or an individual Residential Unit. The Board of Managers of the Condominium or Board of Directors of the Association shall not have any right to deny the Sponsor, its members and designated employees from accessing the Condominium and/or Association properties.

18. All individual members of the Sponsor and their guests and invitees shall have the right of access to and through the Common Elements, no matter how classified, and shall be granted a right to use all the Amenity Rooms and Outdoor Amenities of the Condominium. The right of access to use said facilities shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners.

19. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six (6) years from the date the Declaration of Condominium is recorded for examination by any person who has purchased a condominium interest offered by this Plan or otherwise has participated in this offering: This Offering Plan; the proposed Declaration of Condominium and By-Laws of the Condominium; the proposed Declaration of Covenants and Restrictions and By-Laws of the Association; public liability, fire and casualty policy; and Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of the form of Residential Unit Purchase Agreement is submitted with this Offering Plan.

20. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable

tolerances that the floor plans filed with the recording of the Declaration of Condominium are an accurate copy of portions of the plans of the buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

21. Notwithstanding anything to the contrary contained in the Declaration of Condominium, the Condominium By-Laws, the Declaration of Covenants and Restrictions, and/or Association By-Laws, no Managing Agent, Board of Managers, Board of Directors on behalf of the Board of Managers of the Condominium and the Condominium, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Unit or the rental of any Unit by the Sponsor, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Sponsor, its successor(s), assignee(s), and/or designee(s), by any Managing Agent, the Board of Managers, the Board of Directors on behalf of the Board of Managers of the Condominium and the Condominium, or any agent, member, or representative thereof, regarding any sale or transfer of a Unit or rental of a Unit by Sponsor, its successor(s), assignee(s), and/or designee(s).

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XXIII. CONTROL BY THE SPONSOR

The initial Board of Managers ("First Board of Managers") shall be designated by the Sponsor for one (1) year terms and the Sponsor shall have the right to designate First Board of Managers until the First Annual Meeting (the "First Board of Managers").

The Sponsor will have voting control and may designate all the Residential Board Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its successors, assignees and/or designees ("Sponsor Residential Board Control Period").

As a result of the Sponsor's right to rent Unsold Residential Units after the Offering Plan is consummated and Sponsor's right to retain control of a majority of the Board of Directors until all of the Residential Units in both Phases of the Development have been conveyed to the Residential Unit purchasers, the Residential Unit Owners in the Community may never gain control of the Board of Directors of the Association, even if they gain control of the Board of Managers of each respective Condominium within the Community. As a result of the fact that most responsibilities of the Community have be delegated to the Association, the Board of Managers of each Condominium will have no power regarding management of the respective Condominium unless the Association Board of Directors fails to meet its obligations either during the period Sponsor is in control of the Association or after the Sponsor relinquishes control of the Association. In such an event the Condominium Board of Managers will be responsible to meet all of the obligations that have been delegated to the Association Board of Directors.

The first Managers of the Board of Managers of the Condominium will consist of Jonathan Weiss, David Burman, and Nicholas Cappadora, each having a business address located at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. Mr. Weiss and Mr. Burman are principals of the Sponsor, and Mr. Cappadora is an employee of the Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals at any time.

The First Board of Managers will call for the First Annual Meeting of the Unit Owners within three (3) years of the Closing of Title to the first Residential Unit in the Condominium or within thirty (30) days after the Closing of Title of the last Residential Unit in the Condominium, whichever occurs first.

At the First Annual Meeting, the Residential Board Members shall be elected by the Residential Unit Owners unless otherwise provided below.

The First Board of Managers shall have the right to call for the First Annual Meeting prior to the date provided above. In such an event the Sponsor shall have the right to permit the election of one (1) or more of the Residential Board Members by the Residential Unit Owners. The number of Residential Board Members that may be

elected by the Residential Unit Owners shall be in the sole discretion of the Sponsor. In such an event the Sponsor voluntarily relinquishes control of the Residential Board Members the Sponsor will be entitled to designate the remaining Residential Board Members that are not elected by the Residential Unit Owners. In the event the Sponsor voluntarily relinquishes a Board Member's position on the Board of Managers as provided above upon notice to the Board of Managers the Sponsor shall have the right to remove the Residential Board Member(s) that were elected by the Residential Unit Owners and reappoint a Sponsor representative in their place. When the Sponsor no longer owns a Residential Unit in the Condominium, Sponsor may not be entitled to designate any Residential Board Member to the Board of Managers.

After the First Annual Meeting, the Annual Meetings shall be held on or about the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such Annual Meeting, in the event the Sponsor is not entitled to designate all the Members of the Board of Managers, there shall be elected by ballot of the Residential Unit Owners (or designated by the Sponsor should the Sponsor have such right as provided above) the Residential Board Members of the Board of Managers in accordance with the requirements of Article III of the By-Laws. The Residential Unit Owners may also transact such other business of the Condominium as may properly come before them.

At such time as the Sponsor no longer owns any Residential Unit in the Condominium the Sponsor Residential Board Members shall resign and the Sponsor will not be able to designate any Residential Board Members to the Board of Managers. Purchasers should further note that there is no provision in the By-Laws that requires that a majority of the Managers of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Community should be managed as a result of their different reasons for purchasing, *i.e*., purchasing as a Residential Units to live in as opposed to purchasing as an investment.

In addition to the Board Members designated by the Sponsor, as long as Sponsor retains an Unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Board Members, so long as the Board Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable.

In the event the Sponsor resigns a position on the Board prior to the First Annual Meeting, in addition to any of the Condominium Managers designated by the Sponsor, Sponsor may vote as Sponsor so determines for any other Managers, so long as the Managers Sponsor votes for are Residential Unit Owners and are not on Sponsor's slate of Managers of the Board, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor.

The Board of Directors of the Association as agent for the Board of Managers may not, without the Sponsor's prior written consent (i) make any additions, alterations or improvements to the Common Elements or to any Residential Unit costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; or (iii) hire any employee in addition to the employees referred to in the Plan; or (iv) enter into any contracts not in existence on the date of the first Closing of Title to a Residential Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent; or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

The provisions contained in the above paragraph provide that as long as the Sponsor retains control of the Board of Managers as provided above, significant financial decisions of the Board will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow funds for a capital improvement which all Residential Unit Owners are in favor of, or the ability to enter into a contract with an attorney and fund legal fees if the Sponsor fails to comply with provisions in the offering.

Sponsor may exercise veto power over expenses in the budget other than those described herein, for a period ending not more than five (5) years after the Closing of the first Residential Unit or whenever the Unsold Residential Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner. At no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, or (iii) to remedy any work order by an insurer, or (iv) preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

During the above period, the Sponsor will have control of all maintenance and services to be provided by the Board of Managers and will determine the Common Charges to be paid by all Residential Unit Owners, including the Sponsor's. In addition, the Sponsor will be responsible to enforce Sponsor's obligations to the Condominium. During this period, Sponsor will have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, the hiring and termination of employees of the Condominium, placing easements on the property and making improvements to Common Elements. Notwithstanding the above, the Board of Managers has a fiduciary duty to the Residential Unit Owners to enforce

Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition, the Residential Unit Owners may commence a lawsuit in the nature of a derivative action. However, at no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

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XXIV. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium referred to in the Plan appear in Part II as Schedules I and J.

The following is a summary of certain provisions of the By-Laws and Declaration of Condominium.

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers. The First Board of Managers shall consist of three (3) Members (hereinafter "Members") designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the expiration of the Sponsor Control Period. The First Annual Meeting of the Unit Owners will be held within three (3) years of the Closing of Title to the first Residential Unit in the Condominium or within thirty (30) days after the Closing of Title of the last Residential Unit in the Condominium, whichever occurs first. The initial Board of Managers of the Condominium will consist of Jonathan Weiss, David Burman, and Nicholas Cappadora, each having a business address located at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. Mr. Weiss and Mr. Burman are principals of the Sponsor, and Mr. Cappadora is an employee of the Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals at any time.

Subsequent to the Sponsor Control Period, the Board of Managers shall be increased to five (5) Members, to be elected by the Residential Unit Owners. Purchasers should note that there is no provision in the By-Laws that requires that a majority of the Managers of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Community should be managed as a result of their different reasons for purchasing, *i.e*., purchasing as a Residential Units to live in as opposed to purchasing as an investment.

Until succeeded by the Members elected at the Annual Meeting or Special Meeting of Unit Owners called to elect Residential Unit Owner Members of the Board of Managers, Board Members do not need to be Residential Unit Owners; thereafter, all Members of the Board of Managers shall be Residential Unit Owners, other than designees or nominees the Sponsor may still be entitled to designate. The Members shall be elected and/or designated at the Annual Meeting of the Unit Owners or as otherwise provided in the Condominium By-Laws. After the First Annual Meeting or Special Meeting after the Sponsor Control Period as required pursuant to Article II of the By-Laws, Annual Meetings shall be held on or about the anniversary of the First Annual Meeting or Special Meeting each succeeding year or such other convenient date as the Board of Managers may so designate (the "Annual Meeting"). In the event the Sponsor Control Period has not lapsed, the Sponsor shall designate all the Members of the Board of Managers at such meeting. In the event the Sponsor Control Period has

lapsed, the Residential Members of the Board of Managers will be elected by the Residential Unit Owners and the Non-Residential Board Member shall be designated by the Sponsor, in accordance with the requirements set forth below.

At any meeting of Residential Unit Owners to elect a Board of Managers subsequent to the Sponsor Control Period, five (5) Members shall be elected by the Unit Owners to serve as Members of the Board of Managers. All Members of the Board of Managers, other than the Sponsor designated representatives, shall be nominated by the Unit Owners at the Annual Meeting to elect the Board of Managers. At any Annual or Special Meeting to elect a Board of Managers, the Board of Managers may request nominations to the Board Managers prior to the Annual or Special Meeting, in addition to nominations from Unit Owners at the Annual or Special Meeting. As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased without the consent of the Sponsor.

At any Annual or Special Meeting subsequent to the Sponsor Control Period, the term of office of two (2) of the Members of the Board of Managers shall be fixed for three (3) years, the term of office of two (2) of the Members of the Board of Managers shall be fixed for two (2) years, and the term of office of one (1) of the Members of the Board of Managers shall be fixed for one (1) year. Sponsor Members of the Board of Managers shall be appointed for a one (1) year term. The two (2) Residential Unit Owners receiving the highest number of votes shall be elected to the three (3) year term, the two (2) Residential Unit Owners receiving the next highest number of votes shall be elected to the two (2) year term, and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to the one (1) year term. Each Unit Owner shall be entitled to cast one vote for each Member of the Board of Managers to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Residential Member of the Board of Managers, their successor shall be elected to serve a term of three (3) years. The Board Members shall hold office until their successors have been elected and hold their first meeting.

Any Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any general, Annual or Special Meeting.

Sponsor is entitled to designate all the Board Members to the Board of Managers until all of the Residential Units in the Condominium have been sold and transferred to bona fide Purchasers. Sponsor Board Members shall be appointed for a one (1) year term. At the expiration of the Sponsor Board Member terms, if Sponsor is still entitled to nominate Board Members to the Board of Managers, the Sponsor Board Members shall thereafter continue to be appointed as Board Members for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. When the designated Sponsor Board Members of the Board of Managers of the Sponsor are required to relinquish their position on the Board of Managers the Sponsor will call for the First Annual Meeting of the Unit Owners as per the provisions of Article II, Section 9 of the By-Laws.

The Sponsor shall have the right to voluntarily resign a position on the Board of Managers prior to the expiration of the Sponsor Control Period. In such an event the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of the By-Laws to elect a Residential Unit Owner for the balance of the Sponsor Member's term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for the balance of the Sponsor Member's term. At the expiration of the term of the appointed or elected Residential Unit Owner replacing the Sponsor designee as provided in this paragraph, the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of the By-Laws to elect a Residential Unit Owner for a one (1) year term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for a one (1) year term. This procedure shall continue until the First Annual Meeting or Annual Meeting after the expiration of the Sponsor Control Period, at which time the applicable Member's term will automatically expire. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Managers before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Managers that the Sponsor desires to reclaim said position the Member of the Board of Managers appointed or elected to said position shall resign and the Sponsor shall reappoint a Sponsor Member to the Board of Managers.

At such time as the Sponsor no longer owns any Residential Unit in the Condominium the Sponsor Board Members shall resign and the Sponsor will not be able to designate any Board Members to the Board of Managers.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an Unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable.

Managers of the Board of Managers shall not be compensated for their services. Managers of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Residential Unit Owners. Managers of the Board who are delinquent in their Common Charges shall be suspended thereto until such time as all Common Charges, including any interest, late fees, penalties and other costs have been paid in full. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

If the office of any Board Member becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members of the Board of Managers, though less than a quorum, at a special meeting of the Board Members of the Board of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the

unexpired term in respect to which such vacancy occurred. At such meeting only the remaining Members of the Board of Managers shall be entitled to vote for said Member's successor or successors. In the event of the failure to hold any election of the Members of the Board of Managers at the time designated for the annual election of the Members of the Board of Managers or in the event that the Members of the Board of Managers shall not have filled any such vacancy, a Special Meeting of the Residential Unit Owners to elect new Members to the Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of Special Meetings of the Unit Owners as provided for in Article II, Section 10 of the By-Laws. If the vacancy occurs with respect to any Member of the Board of Managers who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Member's successor to fill the unexpired portion of the term. In addition, the Sponsor shall have the right to substitute the Members of the Board of Managers it has designated at Sponsor's discretion.

The Board of Managers shall also have the right to call for a Special Meeting in accordance with Article II, Section 10 of the Condominium By-Laws to elect a Member's successor to fill the unexpired portion of the term of office.

Members of the Board of Managers, other than Sponsor designees, may be removed with or without cause by an affirmative vote of sixty-six and two-thirds (66 2/3rds) in number of the Residential Unit Owners entitled to vote at a Special Meeting called pursuant to Article II, Section 10 of the By-Laws. Members designated by the Sponsor may only be removed by the Sponsor. No Member other than a Member designated by the Sponsor shall continue to serve on the Board of Managers if, during their term of office, they shall cease to be a Residential Unit Owner. In the event a Sponsor designee Member is removed, the Sponsor shall have the sole right to designate the Sponsor Member replacement.

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

It shall be the duty of the Secretary or other designated agent the Board of Managers to provide written notice of the place, date and hour of each Annual or Special Meeting, stating the purpose thereof at least ten (10) but not more than thirty (30) days prior to such meeting. A copy of the notice of any meeting shall be given, personally, by first class mail, facsimile telecommunications or by electronic mail to each Unit Owner entitled to vote at such meeting. If mailed, such notice is given when deposited into the United States mail, with postage thereon prepaid, directed to the Unit Owner at the Unit Owner's address as it appears on the record of Unit Owners or, if the Unit Owner shall have filed with the Secretary or designated agent a written request that notices to the Unit Owner be mailed to some other address, then directed to the Unit Owner's such other address. If the notice is sent by facsimile telecommunication or mailed electronically, such Notice is given when directed to the Unit Owners fax number

or electronic mail address as it appears on the record of the Unit Owners, or, to such fax number or other electronic mail address as filed with the Secretary or designated agent. Notwithstanding the foregoing, such Notice shall not be deemed to have been given electronically (1) if the Secretary or designated agent of the Board of Managers is unable to deliver two consecutive Notices to the Unit Owner by facsimile telecommunication or electronic mail; or (2) the Secretary or the designated agent of the Board of Managers otherwise becomes aware that Notice cannot be delivered to the Unit Owner by facsimile telecommunication or electronic mail. See Article II, Section 11 of the Condominium By-Laws.

Notwithstanding the above, many of the functions of operating the Condominium have been transferred to and will become the responsibility of the Association. See Section V of the Plan as to the Association obligations. In the event the Association fails to meet its obligations, then it shall be the responsibility of the Board of Managers of the Condominium to do so.

Every Unit Owner shall be entitled to cast one vote on each ballot for each Unit owned. All representatives to the Board of Managers, other than designees or nominees of the Sponsor, shall be Residential Unit Owners. No Residential Unit Owner delinquent in the payment of their Common Charges shall be eligible to be nominated or elected to the Board of Managers. In the event a Residential Unit Owner is elected to the Board of Managers and thereafter becomes delinquent in the payment of their Common Charges, said Manager shall be suspended from the Board of Managers until such time as all Common Charges, late fees, interest, penalties and costs have been paid in full.

At any Annual or Special Meeting subsequent to the Sponsor Control Period, the term of office of two (2) of the Members of the Board of Managers shall be fixed for three (3) years, the term of office of two (2) of the Members of the Board of Managers shall be fixed for two (2) years, and the term of office of one (1) of the Members of the Board of Managers shall be fixed for one (1) year. Sponsor Members of the Board of Managers shall be appointed for a one (1) year term. The two (2) Residential Unit Owners receiving the highest number of votes shall be elected to the three (3) year term, the two (2) Residential Unit Owners receiving the next highest number of votes shall be elected to the two (2) year term, and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to the one (1) year term. Each Unit Owner shall be entitled to cast one vote for each Member of the Board of Managers to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Residential Member of the Board of Managers, their successor shall be elected to serve a term of three (3) years. The Board Members shall hold office until their successors have been elected and hold their first meeting.

Any Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any general, Annual or Special Meeting.

Sponsor is entitled to designate all the Board Members to the Board of Managers until all of the Residential Units in the Condominium have been sold and transferred to bona fide Purchasers. Sponsor Board Members shall be appointed for a one (1) year term. At the expiration of the Sponsor Residential Board Member terms, if Sponsor is still entitled to nominate Board Members to the Board of Managers, the Sponsor Board Members shall thereafter continue to be appointed as Board Members for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. When the designated Sponsor Board Members of the Board of Managers of the Sponsor are required to relinquish their position on the Board of Managers the Sponsor will call for the First Annual Meeting of the Unit Owners as per the provisions of Article II, Section 9 of the By-Laws.

The Sponsor shall have the right to voluntarily resign a position on the Board of Managers prior to the expiration of the Sponsor Control Period. In such an event the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of the By-Laws to elect a Residential Unit Owner for the balance of the Sponsor Member's term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for the balance of the Sponsor Member's term. At the expiration of the term of the appointed or elected Residential Unit Owner replacing the Sponsor designee as provided in this paragraph, the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of the By-Laws to elect a Residential Unit Owner for a one (1) year term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for a one (1) year term. This procedure shall continue until the First Annual Meeting or Annual Meeting after the expiration of the Sponsor Control Period, at which time the applicable Member's term will automatically expire. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Managers before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Managers that the Sponsor desires to reclaim said position the Member of the Board of Managers appointed or elected to said position shall resign and the Sponsor shall reappoint a Sponsor Member to the Board of Managers.

At such time as the Sponsor no longer owns any Residential Unit in the Condominium the Sponsor Residential Board Members shall resign and the Sponsor will not be able to designate any Residential Board Members to the Board of Managers.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an Unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable.

Removal of Managers of the Board of Managers

Members of the Board of Managers, other than Sponsor designees, may be removed with or without cause by an affirmative vote of sixty-six and two-thirds (66 2/3rds) in number of the Residential Unit Owners entitled to vote at a Special Meeting called pursuant to Article II, Section 10 of the By-Laws. Residential Members designated by the Sponsor may only be removed by the Sponsor. No Residential Member other than a Residential Member designated by the Sponsor shall continue to serve on the Board of Managers if, during their term of office, they shall cease to be a Residential Unit Owner. In the event a Sponsor designee Residential Member is removed, the Sponsor shall have the sole right to designate the Sponsor Residential Member replacement.

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by the Board of Directors of the Association on behalf of the Board of Managers and Unit Owners of the Condominium and which Board of Directors may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration of Condominium or by the By Laws, directed or required to be exercised or done by the Board of Managers or the Unit Owners personally. In the event the Board of Directors of the Association fails to enforce said powers or affirmatively relinquishes said powers, then they shall be exercised and enforced by the Board of Managers of the Condominium. This provision is not subject to amendment. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments (“Common Charges”) to cover the cost of Common Expenses, payable in advance. The Board of Directors of the Association may increase the monthly Common Charges or vote a Special Assessment in excess of that amount, if required, to meet any additional necessary expenses, but said increases can only be assessed among the Unit Owners pro-rata according to their respective Percentage of Common Interest in the Condominium, or in such other manner as provided in Article VI, Section 9 of the By-Laws.

2. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and to revise the amount of such fees as the Board of Directors of the Association so determines.

3. To determine and impose move in and move out fees applicable to the Residential Unit Owners and shall revise said fees in its good faith discretion.

4. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements, General Residential Units' Limited Common Elements and any Individual Residential or Non-Residential Unit's Limited Common Elements for which the Condominium or the Association is responsible to repair, replace and maintain and any other Common Expenses of the Condominium.

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

6. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the property, including any inspection or repairs necessitated by mold or vermin infestation. No prior notice shall be required in the event the Board of Directors of the Association shall determine that action is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium. Any repairs required as the result of negligence of a Unit Owner will be at the expense of the Unit Owner.

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

8. To insure and keep insured the Common Elements and Units in accordance with Article VII of the By-Laws.

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

10. To make reasonable Rules and Regulations applicable to the Units and the Unit Owners and to amend the same from time to time. Such Rules and Regulations and amendments shall be binding upon the Unit Owners when the Board of Directors of the Association have approved them in writing. A copy of such Rules

and Regulations and all amendments thereto shall be delivered to each Unit. The Board of Directors of the Association and/or the Board of Managers of the Condominium shall not be able to pass or adopt any Rule or Regulation affecting a Non-Residential Unit without the written consent of the Non-Residential Board Member of the Board of Managers of the Condominium. In no event may any Rule or Regulation prevent a Non-Residential Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Board of Directors of the Association and/or the Board of Managers of the Condominium may not pass any Rule or Regulation which interferes with or affects the operation of a Non-Residential Unit or a Non-Residential Unit's Limited Common Element, without the Non-Residential Unit Owner's consent, unless it affects the General Common Elements, General Residential Units' Limited Common Elements, the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

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

12. To bring and defend actions by or against one (1) or more Unit Owners that are pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, Section 7 (c) of the By-Laws.

13. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner subject to any restrictions contained in the By-Laws, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Directors of the Association.

14. To make additions, alterations, or improvements to the General Common Elements and the General Residential Units' Limited Common Elements.

15. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Common Elements and/or General Residential Units' Limited Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any

Unit or its appurtenant interest in any Common Elements without the written consent of the Owners of said Unit.

16. To act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such an event, the Board of Directors of the Association could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Directors of the Association is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners for which it will perform such service.

17. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments and in violation of the Rules and Regulations. The Board of Directors of the Association shall have the right to revise the amount of such fees as the Board of Directors so determines.

18. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

19. To enter into revocable license agreements for the use of space within the General Common Elements and General Residential Units' Limited Common Elements as long as the license agreement does not hinder or encroach upon the rights of Unit Owners to use the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, Non-Residential Unit's Limited Common Elements and/or a Unit, or interfere in any material respect, in the ongoing services, operations, and/or business operations in a Non-Residential Unit.

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

consent of all such affected Unit Owners shall be required in writing before such easement shall be granted).

In order to provide uniformity of maintenance and services to all Residential Units and facilities within the overall Community, the Condominium By-Laws have designated the Association as manager to provide maintenance and repair services to the General Common Elements and General Residential Units' Limited Common Elements of the Condominium and any Individual Residential Unit's Limited Common Elements of the Condominium that are the responsibility of the Condominium and/or Association to maintain and repair. Such repairs and maintenance include but are not limited to roof and siding repairs and replacement of the Buildings located in the Condominiums, landscape maintenance of the Common Elements and snow removal of any walkways forming part of the Condominium which would otherwise be performed by the Board of Managers of the Condominium. As a result, all of the Common Expenses of the Community, except for what is specifically detailed in Schedule B, are Common Expenses of the Association and not the Condominium.

If the Association fails to provide such services, the Condominium will become responsible for such services. The cost of such Common Expenses is included in the Association budget set forth at Schedule C and are not an individual Condominium expense but a Common Expense of the Association. In view of the fact that each Common Interest in both the Condominium and Association are calculated analogously, there is no material adverse impact to the Residential Unit Owners as a result of the Association performing such maintenance functions. However, since such Common Expenses are the Association Common Expenses and in the Association budget, the Sponsor is only responsible for a deficiency payment, if any, after all surplus funds are depleted. If such expenses were Common Expenses of the Condominium, the Sponsor would be obligated to pay monthly Common Charges based on the Percentage of Common Interest attributable to unsold Units it owns rather than on a deficiency basis as set forth above. This is not a violation of the Condominium Act because the Condominium has, pursuant to the authorization in Real Property Law Section 339(v)1(a), designated the Association to provide the maintenance obligations which are normally provided by the Condominium and make them Common Expenses of the Association and deficiency payments by Sponsor are permissible in Associations. See Article I, Section 4 of the Condominium By-Laws for the details concerning the appointment of the Association Board of Directors as manager of the Condominium.

As a result of the Sponsor's right to rent Unsold Residential Units after the Offering Plan is consummated and Sponsor's right to retain control of a majority of the Board of Directors until all of the Residential Units in both Phases of the Development have been conveyed to the Residential Unit purchasers, the Residential Unit Owners in the Community may never gain control of the Board of Directors of the Association, even if they gain control of the Board of Managers of each respective Condominium within the Community. As a result of the fact that most responsibilities of the Community have be delegated to the Association, the Board of Managers of each Condominium will have no power regarding management of the respective Condominium unless the

Association Board of Directors fails to meet its obligations either during the period Sponsor is in control of the Association or after the Sponsor relinquishes control of the Association. In such an event the Condominium Board of Managers will be responsible to meet all of the obligations that have been delegated to the Association Board of Directors.

Liability of Board of Managers, Officers and Residential Unit Owners/Indemnification of Board of Managers

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in the Member's capacity as a Member of the Board of Managers or Officer of the Condominium, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer of the Condominium if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's or Officer's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member or Officer personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that the Member, the Officer, the Member's or Officer's testator, was a Member of the Board of Managers, Officer of the Condominium or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer of the Condominium if a judgment establishes that the Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member or Officer was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers or Officers of the Condominium on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration of Condominium or of the By-Laws. It is intended that the Members of the Board of Managers and Officers of the Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and

permissible for the Board of Managers or Officer of the Condominium, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or Officer of the Condominium or out of the aforesaid indemnity in favor of the Member of the Board of Managers or Officer of the Condominium shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, a managing agent, by a Member of the Board of Managers or Officer of the Condominium on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, or Officer of the Condominium as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

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

Officers

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Unit Owners or Members of the Board of Managers except for the Non-Residential Unit Owner's Member to the Board of Managers who does not need to be a Unit Owner. Appointed Officers do not need to be Unit Owners or a Member of the Board of Managers. Two (2) or more offices may be held by the same person, except the President, who can only hold the office of President.

All Board Members serve without compensation.

The President shall be the chief executive Officer of the Condominium; shall preside at all meetings of the Unit Owners and Members of the Board of Managers, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board of Managers are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York. The President may delegate obligations and responsibilities to other officers.

The President, unless elected by the Residential Unit Owners to the Board of Directors of the Association, shall also be a non-voting member of the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. in addition to

the elected voting Directors of said Board of Directors. See Section V of the Offering Plan.

The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Business Corporation Law of the State of New York.

The Secretary and/or Assistant Secretary shall attend all sessions of the Board of Managers and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

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

The Treasurer shall disburse the funds of the Condominium as the Treasurer may be ordered by the Board of Managers, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board of Managers or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

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

Repairs, Alterations and Improvements to Common Elements

All maintenance, painting, repairs and replacement of the General Common Elements, General Residential Units' Limited Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium, including but not limited to exterior walls, roof and roof membranes and roof housing of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires,

conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two (2) or more Units shall be contracted for by and be the responsibility of the Board of Directors of the Association and the cost thereof shall be a Common Expense of the Association, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner. In the event the Association fails to meet its obligations or affirmatively relinquishes its obligations it shall then become the obligation of the Condominium and shall be a Common Expense of the Condominium.

All maintenance, repair and cost to the interior portion of the window area and doors which open from a Unit are the sole obligation of the Unit Owner. All maintenance, repair, replacement and costs to the external portion of the window area, the actual window and external portion of the doors which open or face the outside of a Unit will be the responsibility of the Association and the cost thereof shall be a Common Expense of the Association. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from or face the outside of a Unit be caused as a direct result of the negligence or act of a Unit Owner, occupant, tenant, guest or any other person residing, visiting or doing work in the Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any private balcony, and/or terrace areas that are designated as an Individual Residential Unit's Limited Common Element will be the responsibility of the Association. Notwithstanding, the cost of such repairs and replacements shall be charged to the Individual Residential Unit Owner whom has the exclusive use of the private balcony, and/or terrace unless the repair or replacement is necessitated as a result of general maintenance or repair to the General Common Elements or General Residential Units' Limited Common Elements, in which case the cost shall be a Common Expense of the Association. Any dispute as to who is responsible for the cost and expense of the repairs and replacements to any private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common Element shall be resolved by arbitration pursuant to the provisions of Article XIII of the By-Laws.

All general maintenance and repairs of a private balcony, and/or terrace area and all fencing, landscaping, pavers, surfaces, railing, drains, utilities, pipes, wires conduits lighting located in or on and for the exclusive use of the private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including, but not limited to, the repair of leaks; the repair, maintenance and replacement of surfaces and pavers thereon; the maintenance and replacement of all landscaping and plantings thereon or therein; and repair, maintenance and replacement of any lighting, mechanical

equipment, railing, and/or fencing located thereon or therein;), shall be the responsibility of the Residential Unit Owner whose private balcony, and/or terrace area is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The Board of Directors of the Association shall have the right to designate or approve a contractor or contractors to do the necessary work to the private balcony, and/or terrace area that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

The private balconies and/or terraces that are Individual Residential Unit Limited Common Elements are not permitted to be used for storage, are not permitted to be enclosed and are not permitted to be used for any type of bedroom or for sleeping or similar use. All drains located on a private balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a private balcony and/or terrace, except as may be necessary for the use of said space.

All repairs, maintenance and any replacement of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Residential Unit exclusively shall be the responsibility of the Association for such equipment, services, etc. All costs associated therewith shall be the obligation of the individual Residential Unit Owner who is served by or exclusively benefits from such equipment, services, etc. The Association shall bill the individual Residential Unit Owner and such amount shall be payable to the Association in addition to any Condominium Common Charges and Association Maintenance Charges due by said Residential Unit Owner.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Non-Residential Unit that is located in the Non-Residential Unit or is an Individual Non-Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Non-Residential Unit exclusively shall be the responsibility of the Non-Residential Unit Owner for such equipment, services, etc.

All structural repairs of the Garage shall be the responsibility of the Association. The Garage may only be utilized for the parking of automobiles and similar type vehicles. Residential Unit Owners will not be permitted to store any combustible material or other items in the Garage that may be illegal or cause the Condominium insurance to be increased.

The Board of Directors of the Association, as agent of the Board of Managers of the Condominium, shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and General Residential Units' Limited Common Elements. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Unit, or caused by any prior alteration of a Unit, shall be assessed to and paid by the applicable Unit Owner.

All maintenance, repairs and replacements to a Non-Residential Unit and Non-Residential Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Non-Residential Unit Owner at its/their sole expense.

All snow removal from the General Common Elements and General Residential Units' Limited Common Elements shall be the responsibility of the Association.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Directors of the Association on behalf of the Condominium, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied or waived by the Board of Directors of the Association.

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

The Board of Directors of the Association, on behalf of the Condominium, and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Directors of the Association, on behalf of the Condominium, shall determine that action is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

The Board of Directors of the Association, on behalf of the Condominium, shall have the right to designate or approve a contractor or contractors to do any structural work in or on a Residential Unit or Individual Residential Unit's Limited Common Element that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

Any dispute as to who is responsible to repair, maintain or replace any of the Common Elements, no matter how classified, shall be resolved by binding arbitration pursuant to the provisions of Article XII of the By-Laws of the Condominium.

Any or all of the aforementioned rights and obligations that have been delegated to the Board of Directors of the Association shall become the affirmative right and obligation of the Board of Managers of the Condominium should the Board of Directors of the Association fail to meet its obligations or affirmatively relinquish its rights and/or obligations.

In the event the Association fails to meet its obligations and the Sponsor is still entitled to control of the Board of Managers of the Condominium the Sponsor controlled Board of Managers will be responsible for all of the obligations that have been delegated to the Association. In the event the Sponsor controlled Board of Managers of the Condominium fails to meet said obligations the Unit Owners in the Condominium may be required to seek independent counsel to enforce the provisions of the Offering Plan and the By-Laws which might require injunctive relief in a court of law.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of

Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net 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 the respective Percentage of Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on their Unit, in the order of the priority of such liens.

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

Notwithstanding the foregoing, if only a Non-Residential Unit (including a Non-Residential Unit's Limited Common Elements) is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the Non-Residential Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance

proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Non-Residential Unit Owner will bear the entire amount of the deficit or shall receive all of the excess.

Similarly, if only the Residential and Non-Residential Unit(s) and/or the Individual Residential or Non-Residential Unit's Limited Common Elements are damaged or destroyed by fire or other casualty or taken in a Taking and the insurance proceeds or condemnation awards are not sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus will be borne or shared entirely by all the Residential and Non-Residential Unit Owners in proportion to their respective Common Interest in the Building.

Insurance

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall be required to obtain and maintain, to the extent obtainable from generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements no matter how classified and the Units in the Building of the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners, contained therein, covering the interest of the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may determine. All such policies shall provide that adjustment of loss shall be made by Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with the approval of the Insurance Trustee, and that the net proceeds thereof, if $100,000 or less, shall be payable to the Board of Managers, and if more than $100,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the Percentage of Common Interest applicable to said Unit.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a “Special Condominium Endorsement” or its equivalent. All policies shall include an “Agreed Amount Endorsement” and, if available, an “Inflation Guard Endorsement.”

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employer’s liability insurance, contractual and all-written contract insurance, and

comprehensive automobile liability insurance. Such public liability insurance shall commence on the Closing of Title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to 3 months aggregate assessments on all Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association, (“Fannie Mae”) Servicers on behalf of Fannie Mae also receive such notice of cancellation or modification.

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit. Purchasers should see below regarding insurance a Residential Unit Owner is required to maintain.

The Board of Managers shall have the right, without vote of the Residential Unit Owners, to transfer the cost of the insurance applicable to the Condominium from being part of the Common Charges of the Condominium so that it becomes part of the budget and Common Maintenance Charges of the Association as long as the provisions of Article VIII of the Declaration of Covenants and Restrictions for said Association are complied with.

Purchasers should refer to Schedule B and the footnotes immediately thereafter as to the estimated cost and coverage of the insurance for the Condominium.

Residential Unit Owner Insurance

Each Residential Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively “Contents”) and liability insurance covering their Residential Unit and extended to include the Board of Managers, the Condominium, any Managing Agent and other Residential Unit Owners as additional insured’s. Such insurance is subject to the

approval of the Board of Managers in advance of the purchase of a Residential Unit, in the Board of Manager's sole discretion. The policy shall be extended to include any additional insured including but not limited to the Sponsor, other Residential Unit Owners and any Mortgagees. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board of Managers reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Residential Unit Owners are instructed to carry coverage for loss of rents, water damage, sewer and drain back up and such other coverage for their contents as they may determine to be in their best interests. The Board of Managers shall have the right to require that a Residential Unit Owner provide evidence to the Board of Managers of the insurance required herein as requested by the Board of Managers.

Reports to Residential Unit Owners

All Residential Unit Owners will receive within four (4) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Residential Unit Owners, and a notice of the holding of the Annual Residential Unit Owners Meeting. During such time as the Sponsor retains a majority of the Board of Managers, the Board of Managers shall provide a certified annual statement at the cost of the Condominium.

Amendments

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

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

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

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

d. As long as the Sponsor, its successor, assignee, or designee retains a Non-Residential Unit, no amendment to the Declaration which solely affects a Non-Residential Unit may be adopted without the written consent of Sponsor, its successor, assignee, or designee. Thereafter no amendment to the Declaration which solely affects a Non-Residential Unit may be adopted without the written consent of the then Non-Residential Unit Owner.

e. Notwithstanding any provision contained herein to the contrary an Amendment in the Declaration which solely affects the Residential Units or the General Residential Units' Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

f. The Declaration may not be altered, amended or repealed in such a manner as would adversely affect the Sponsor, its successors, assigns or designees without the written consent of the Sponsor, its successors, assigns or designees.

g. The Board of Managers and the Sponsor, as long as the Sponsor owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Unit Owners or the holders of any Unit mortgages and to execute and record in the Nassau County Clerk's Office, such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections; (iv) to comply with any recorded covenants, restrictions, easements and rights of way that encumber the Condominium Property, or (v) to comply with any federal, state or city law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium and to the Sponsor to amend the Declaration of Condominium for said purposes.

h. A Purchaser or Residential Unit Owner who purchases or owns two (2) adjoining Residential Units and is desirous of consolidating the two (2) Residential Units into one (1) Residential Unit may do so subject to obtaining all approvals required by the City of Long Beach Building Department, Nassau County, and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever

work is necessary to consolidate the two (2) Units. The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest in the Condominium and Association Common Interest so long as the new Percentage of Common Interest applicable to the Condominium and the new Association Common Interest applicable to the Association equals the Percentage of Common Interest of the Residential Units for the Condominium and the Association Common Interest for the Association that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Residential Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Residential Units shall be at the Purchaser's or Residential Unit Owner's sole cost and expense.

i. No amendment revising the obligations of the Board of Directors of the Association shall be made without the written consent of the Board of Directors of the Association.

j. In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; material reallocation of interests in the General Common Elements or Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa that materially affects other Residential Units; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws ; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction

or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

The By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration of Condominium.

In addition, the following shall apply to amendments to the By-Laws:

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

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

c. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to amend the By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors. In connection therewith each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to amend the By-Laws for said purposes.

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

e. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Residential Units or the General Residential Units' Limited Common Elements may only

be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

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

g. The Sponsor shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to (a) make corrections that are patent errors, inconsistencies, scrivener's errors or technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor Residential or Non-Residential Board Control Period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium. In connection therewith each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Sponsor, its successors, assigns and purchasers of undeveloped or unsold Units to amend the Condominium By-Laws for said purposes.

h. In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Residential or Non-Residential Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition,

annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or in the event condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

Residential Units Acquired by the Board of Managers

All Residential Units which are acquired by the Board of Managers, or its designee, as a result of foreclosure of a lien for non-payment of Common Charges, shall be held by the Board of Managers on behalf of all Residential Unit Owners. The Percentage of Common Interest acquired by the Board of Managers shall remain as originally designated in Schedule A of the Offering Plan and the Declaration of Condominium and the Board of Managers shall be responsible for paying all Common Charges appurtenant to said Residential Unit. The Board of Managers shall be entitled to cast all votes that are appurtenant to said Residential Units at any Residential Unit Owners meeting for all purposes except for the election of members to the Board of Managers. In such an event they shall not cast any votes appurtenant to said Residential Units for the election of members to the Board of Managers.

Termination of Condominium

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

Covenant Against Partition of Common Elements

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

XXV. RIGHTS AND OBLIGATIONS OF RESIDENTIAL UNIT OWNERS AND BOARD OF MANAGERS

Sale or Lease of Residential Units

Any Residential Unit may be conveyed subject to local zoning ordinances, by its Residential Unit Owner free of any restrictions except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate or sell their Residential Unit unless and until all unpaid Common Charges, Special Assessments and any other fees or charges owed the Condominium that have been assessed against the Residential Unit Owner's Residential Unit that is likewise owned by the Residential Unit Owner shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Residential Unit. In addition, all sales of a Residential Unit are subject to the Right of First Refusal of the Board of Managers as provided for in Article XI, Section 2 of the By-Laws.

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

Any Residential Unit may be leased subject to the leasing requirements contained in Section 7 of Article XI of the By-Laws and subject to the Board of Managers' Right of First Refusal as provided in Section 2 of Article XI of the By-Laws. In addition, any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Managers as set forth in Section 7 below to the Managing Agent or the Board of Managers in the absence of a Managing Agent. All leases must comply with all the requirements contained in Section 7 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

The provisions of Article XI, Section 1 of the By-Laws section shall not apply to the acquisition or sale of a Residential Unit by a mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

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

Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of the Non-Residential Unit. The sale or lease of a Non-Residential Unit is not subject to the Right of First Refusal of the Board of Managers as provided for in Article XI, Section 2 of the By-Laws.

Right of First Refusal for a Residential Unit

No Residential Unit Owner other than Sponsor, its successors, assigns and/or designees, may sell or lease their Residential Unit except by complying with the following provisions:

Any Residential Unit Owner who receives a bona fide offer to (a) purchase the Residential Unit Owner's Residential Unit together with (i) the undivided interest in the Common Elements appurtenant thereto, and (ii) the interest of such Residential Unit Owner in any Residential Unit theretofore acquired by the Board of Managers or the Board of Manager's designee on behalf of all Residential Unit Owners, or Residential Unit Owner's interest in the proceeds of sale or lease of such Residential Unit, if any, or (b) lease the Residential Unit Owner's Residential Unit, such an offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called the "Offeree Residential Unit Owner." In the event the Residential Unit Owner intends to accept the Outside Offer, the Residential Unit Owner must give notice by certified or registered mail to the Board of Managers of the receipt of such Outside Offer. Said notice shall state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Residential Unit Owner to sell the Residential Unit Owner's Residential Unit or Lease the Residential Unit Owner's Residential Unit to the Board of Managers or its designee, corporate or otherwise, on behalf of all other Residential Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Offeree Residential Unit Owner who has received such Outside Offer to the Board of Managers, on behalf of all Residential Unit Owners, that such Residential Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Residential Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably request. Not later than twenty (20) days after the later of the receipt of such notice or such further information as may have been requested by the Board of Managers, the Board of Managers may elect, by sending written notice to such Offeree Residential Unit Owner before the expiration of said twenty (20) day period, by certified or registered mail, return receipt requested, to purchase such Residential Unit or to lease such Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee (corporate or otherwise), on behalf of all Residential Unit Owners on the same terms and conditions as contained in the Outside Offer and stated in the notice from the Offeree Residential Unit Owner.

In the event the Board of Managers shall timely elect to purchase any such Residential Unit or to Lease such Residential Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or lease shall be executed at the office of the attorneys for the Condominium, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. If, pursuant to such Outside Offer to purchase such Residential Unit, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Residential Unit Owner's existing mortgage or mortgages, the Board of Managers may purchase the Residential Unit and assume to take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Residential Unit Owner, if such Residential Unit is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and other documents and/or documentary stamps affixed at the expense of such Residential Unit Owner, who shall also pay all the taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interests, if any, and the Common Charges shall be apportioned between the Offeree Residential Unit Owner and the Board of Managers, or its designee (corporate or otherwise), as of the closing date. In the event such Residential Unit is to be leased, the Offeree Residential Unit Owner shall execute and deliver to the Board of Managers, or to its designee (corporate or otherwise), a lease between the Offeree Residential Unit Owner, as Landlord, and the Board of Managers, or its designee (corporate or otherwise), as Tenant, covering such Residential Unit for the rental and terms contained in such Outside Offer.

In the event the Board of Managers or its designee shall fail to accept such offer within twenty (20) days after receipt of such notice, as aforesaid, or in the event the Board of Managers shall, prior thereto, waive such Right of First Refusal in accordance with Sections 3 and 4 of Article XI of the By-Laws, the Offeree Residential Unit Owner shall be free to accept the Outside Offer within a sixty (60) day period after (i) notice of refusal is sent or (ii) the expiration of the period in which the Board of Managers or its designee might have accepted such offer, as the case may be. In the event the Offeree Residential Unit Owner shall not, within such sixty (60) day period, accept in writing the Outside Offer, or if the Offeree Residential Unit Owner shall accept the Outside Offer within such sixty (60) day period, but such sale or lease, as the case may be, shall not be consummated, then should such Offeree Residential Unit Owner thereafter elect to sell such Residential Unit or lease such Residential Unit, as the case may be, the Offeree Residential Unit Owner shall be required to again comply with all the terms and conditions of this Section.

Any deed to an Outside Offeror shall provide that the acceptance thereof by the Outside Offeror shall constitute an assumption of the provisions of the Declaration of Condominium, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of an Outside Offer to lease a Residential Unit shall be consistent with the By-Laws and shall provide that it may not be modified, amended, extended, or assigned without the prior written consent of the Board of Managers; the tenant shall not assign the tenant's interest in such Lease or sublet the demised premises or any part thereof without the prior written consent of the Board of Managers; and the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (i) a default by the tenant to perform its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Except as herein above set forth, the form of any such lease executed by the Board of Managers, or an Outside Offeror, shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain such other modifications as shall be approved in writing by the Board of Managers. Any lease executed by the Board of Managers, as tenant, shall provide that the Board of Managers may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Residential Unit in violation of Article XI, Section 2 of the By-Laws shall be voidable at the election of the Board of Managers and, if the Board of Managers shall so elect, the Residential Unit Owner shall be deemed to have authorized and empowered the Board of Managers to commence legal proceedings to evict the purported tenant (in the case of an unauthorized leasing) in the name of the said Residential Unit Owner as the purported landlord. Said Residential Unit Owner shall reimburse the Board of Managers for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions of Section 2 of Article XI of the By-Laws shall not apply to Sponsor-owned Residential Units, any mortgagee acquiring title to a Residential Unit in a foreclosure, deed-in-lieu of foreclosure, or otherwise through remedies in the applicable mortgages, or to any Non-Residential Unit. The Sponsor, its successors, assignees or designees; any mortgagee acquiring title to a Residential Unit in a foreclosure or otherwise and any Non-Residential Unit Owner shall have the right to freely sell their Residential or Non-Residential Unit or to freely lease all or any part thereof without first having to offer the same for sale or lease to the Board of Managers.

The Right of First Refusal contained in Section 2 of Article XI of the By-Laws may be released or waived by the Board of Managers only in the manner provided in Section 3 of Article XI of the By-Laws. In the event the Board of Managers shall release or waive its Right of First Refusal as to any Residential Unit, such Residential Unit may be sold, conveyed or leased free and clear of the provisions of said Sections 1 and 2 and all other restrictions, except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease the Residential Unit Owner's Residential Unit, unless and until all unpaid Common Charges assessed against the Residential Unit Owner's Residential Unit, shall have been paid to the Board of Managers and all provisions

regarding rentals as provided for in Section 7 of this Article XI are met. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Residential Unit or by the Purchaser of the Residential Unit. Further, a Residential Unit Owner may convey the Residential Unit Owner's Residential Unit, the Residential Unit Owner's Common Interest appurtenant thereto to the Board of Managers on behalf of all Residential Unit Owners free of any cost to the Board of Managers or the Residential Unit Owners, and upon such conveyance such Residential Unit Owner shall not be liable for any Common Charges thereafter accruing against such Residential Unit. Any sale or lease of any Residential Unit in violation of Article XI, Section 2 of the By-Laws shall be voidable at the election of the Board of Managers.

A certificate executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 2 of this Article XI have been met by a Residential Unit Owner or stating that the Right of First Refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder shall terminate, shall be conclusive upon the Board of Managers and the Residential Unit Owners in favor of all persons who rely upon such certificate in good faith. The Board of Managers shall furnish, without charge, such certificate upon request to any Residential Unit Owner with respect to whom the provisions of such section have, in fact, terminated.

The purchase of a Residential Unit by the Board of Managers or its designee, on behalf of all Residential Unit Owners, may be made from funds deposited into the capital and or expense account of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Residential Unit Owner, in proportion to each Residential Unit's square footage to the overall square footage of all the Residential Units, as reflected in Schedule B of the Declaration of Condominium, as a Special Assessment of just the Residential Units, and/or the Board of Managers may in its discretion finance the acquisition of the Residential Unit; provided, however, that no such financing may be secured by an encumbrance, or an hypothecation of any portion of the Property other than the Residential Unit to be purchased. If financed all costs of the financing and any debt service on the financing shall be paid solely by the Residential Unit Owners in proportion to each Residential Unit's square footage to the overall square footage of all the Residential Units, as reflected in Schedule B of the Declaration of Condominium, as a Special Assessment of just the Residential Units.

The provisions of Section 2 of Article XI of the By-Laws shall not apply with respect to any lease, sale or conveyance of a Residential Unit by (a) the Residential Unit Owner thereof to the Residential Unit Owner's spouse, adult children, parents, parents-in-law, adult siblings, or any one or more of them, (b) to any devisee or beneficiary as a result of the death of the Residential Unit Owner, pursuant to a Will or by operation of law, should the Residential Unit Owner die Intestate or (c) the Sponsor, its successor, assignee or its designee, (d) the Board of Managers, or (e) any proper officer conducting the sale of the Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit, or delivering a deed in lieu of

such foreclosure; provided, however, that the new Residential Unit Owner shall be bound by, and the Residential Unit Owner's Residential Unit subject to, the provisions of Article XI of the By-Laws.

Leasing Requirements for Residential Units

In addition to the Right of First Refusal detailed in Section 2 above, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) No more than two (2) years of rental in any five (5) year period is permitted, regardless of resale;

(b) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease, credit and background check (including criminal background), a minimum of two (2) referrals and any other information that may be requested by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium;

(c) the lease must be in writing;

(d) the lease must be for the entire Residential Unit;

(e) the lease must be for a minimum term of twelve (12) months. Renewal terms shall also have a minimum of twelve (12) months;

(f) the lease must not exceed a maximum of two (2) years in any five (5) year period;

(g) the form of the lease and any renewal lease must contain a provision that the tenant agrees to be subject to the Declaration of Condominium, the By-Laws and Rules and Regulations of the Condominium, and the Declaration of Covenants and Restrictions and By-Laws of the Association and agrees to accept the power of attorney of the Association and/or Condominium to evict the tenant for any violation by the tenant of the Declaration of Condominium, the By-Laws and Rules and Regulations of the Condominium; and for any violation by the tenant of the Declaration of Covenants and Restrictions and By-Laws of the Association;

(h) the use of the Residential Unit is subject to the Declaration, the By-Laws, and Rules and Regulations of the Condominium and the Declaration of Covenants and Restrictions, By-Laws and the Rules and Regulations of the Association;

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

(j) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium and to the Board of Directors of the Association;

(k) the Residential Unit cannot be used as a motel, hotel, Airbnb, youth hostel, bed and breakfast. In connection therewith, no Residential Unit may be used as a youth hostel, Airbnb, bed and breakfast or for other transient purposes. In connection therewith any person who is not a Residential Unit Owner or permanent resident of the Residential Unit in which said permanent resident resides, shall not be given access to any Residential Unit, unless the Residential Unit Owner or permanent resident of the Residential Unit is present on the premises. Only the Residential Unit Owner and permanent resident of the Residential Unit shall reside in the Residential Unit, and guests of the Residential Unit Owner or of the permanent resident may stay overnight only so long as the Residential Unit Owner or permanent resident is also present on the premises. In addition, unless express written permission is given by the Board, (a) no Residential Unit Owner, nor any tenant of a Residential Unit Owner, shall lease or sublet Residential Unit premises, or any part thereof, by offering the premises for short stays to members of the general public, through print or online advertising, private solicitation, or participation in any rental service promoted to the general public as a substitute for hotel lodging, and (b) neither the Residential Unit Owner nor any permanent resident of the Residential Unit shall advertise the Residential Unit in any publication, medium, or format whatsoever (including, but not limited to advertisements placed via the internet) as being available for occupancy by any person other than the Residential Unit Owner or the permanent resident, or any of their family members, agents, servants, employees, licensees or guests;

(l) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium;

(m) all leases and tenants are subject to all municipal requirements applicable to rentals, if any;

(n) all leases of a Residential Unit shall contain the following language: "This agreement and the rights and obligations of the parties hereunder are hereby made expressly subject to the right if any, of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with respect to the transaction embodied herein pursuant to the terms of the By-Laws of the Condominium, as the same may have been amended;

(o) the lease must contain the Smoking Policy provisions contained in Article VIII, Section 5 of the By-Laws; and

(p) if any Residential Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration of Condominium or By-Laws, or the Declaration of Covenants and Restrictions ad By-Laws of the Association, including any Rules and Regulations, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

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

Each Residential Unit Owner, on the Closing of Title to the Residential Unit Owner's Residential Unit shall be required to execute a Power of Attorney in the form contained in Part II of this Plan as Schedule E, constituting the fact, coupled with an interest, for the purpose of selling, conveying, mortgaging or otherwise dealing with Residential Units acquired by the Association or its designee, on behalf of the Condominium and its Residential Unit Owners, and otherwise acting in accordance with the Condominium's Declaration and By-Laws and designating the Sponsor as Purchaser's attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration of Condominium are an accurate copy of portions of the plans of a Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Residential Units as built or amending such Declaration of Condominium to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section 3 of the Declaration of Condominium.

A Residential Unit Owner is free to make a gift of the Residential Unit Owner's Residential Unit to anyone during the Residential Unit Owner's lifetime or to devise the Residential Unit Owner's Residential Unit by will, or to have it pass by intestacy without any restriction.

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

Non-Discrimination

The Board of Managers will not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, age, disability, marital status, national origin, or other grounds prohibited by law or regulation.

Section 339-kk

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

Restrictions on Use

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive, or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, members of their families, their employees, tenants, guests and their pets shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other Unit Owners, or in such a way as to be injurious to the reputation of the Condominium. No resident shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Community without the consent of the Board of Directors of the Association as Manager of the Condominium. It is prohibited to hang garments, rugs, etc. from any portion of the Building or balconies or terraces or to use any of the Common Elements for storage unless otherwise designated for such use. No Unit Owner shall paint or change the exterior surfaces of the windows, walls or doors opening out of their Unit. The interior roadways of the Condominium or the parking areas or Garage located on the Association property shall not be used for storage or long-term parking of any boat, trailer, camper, bus, truck or commercial vehicle. Any such parking shall be subject, in addition, to any restriction due to zoning or local ordinance requirements. Any person parking illegally will be subject to their vehicle being towed and/or a fine.

At Closing, Residential Unit Owners will be required to register their cars with the Association and will be required to notify the Association whenever a Residential Unit Owner adds, replaces or removes any of the registered cars. See Schedule J, Article VIII of the By-Laws for a complete list of the Rules and Regulations of the Condominium and Schedule J-4 for a complete list of the Rules and Regulations of the Association.

Restrictions on Pets

Residential Unit Owners will be permitted to keep dogs, cats or other common household pets in their Residential Unit subject to the provisions of this regulation. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Residential Unit. In addition, no more than two (2) pets may be kept in a Residential Unit without the consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium or the dog is a qualified therapy support dog or animal under the Americans with Disabilities Act, the Fair Housing Act, and/or the New York State Civil Rights Law, required for a qualified resident, tenant and/or guest. No animals may be kept or maintained in a Residential Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance, or noise shall be permanently removed from the Property upon fifteen (15) days written notice from the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. All Residential Unit Owners shall advise the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium of any household pet intended to be kept in their Residential Unit prior to the household pet residing therein. In addition to the above restrictions, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to further adopt additional rules and regulations regarding pets including, but not limited to further limiting the number, size and type of pet including but not limited to the type of breed of such pet permitted to be kept in a Residential Unit. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners shall be responsible for (i) picking up and disposing of their pet's waste; (ii) for any damage caused by their pets to any Common Elements of the Condominium or Common Area of the Association; (iii) keeping their pets immunizations up to date; (iv) indemnifying and holding harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (v) abiding by any and all Rules and Regulations applicable to the Residential Units adopted with respect thereto.

Smoking Policy

The following constitutes the Smoking Policy applicable to the Condominium and to all Unit Owners, residents, tenants, guests, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium:

(a) Definitions:

(i) Smoking: 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 designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-Cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all general common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, laundry room, storage area, mechanical room, equipment room, cellar, basement, elevator, garage, rooftop, play areas, parking garages and/or areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and use of Electronic Cigarettes are prohibited from the roof, balconies, terraces or any space designated as a General Residential Units' Limited Common Element, Individual Residential Unit's Limited Common Element and Non-Residential Unit's Limited Common Element appurtenant to the Unit or Units.

(iii) All legal Smoking and use of Electronic Cigarettes is permitted within the interior area of a Residential Unit and Non-Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit shall incorporate the provisions of the Smoking Policy into the lease with the Residential Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

(d) Arbitration:
Disputes regarding the Smoking Policy shall be submitted for arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium.

Mortgage of Residential Units by Residential Unit Owners

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

Common Charges Assessment and Collection

The Board of Managers will prepare and furnish its budget to the Residential Unit Owners and their mortgagees annually. Based upon such budget and any modification thereof approved by the Board of Managers, the Residential Unit Owners will be charged for the cost of the operation of the Condominium in accordance with their interest in the Common Elements. Any Special Assessments will be charged to the Residential Unit Owners in accordance with their interest in the Common Elements. The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition, Common Charges may have to be increased as a result of Residential Unit Owners not paying their Common Charges.

The estimate of Condominium and Association expenditures in Schedules A, B, and C were made by the Sponsor and passed upon by Black Diamond Realty, 401 Franklin Avenue, Suite 104, Garden City, New York 11530. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for fire and other casualty insurance on the Buildings and the Common Elements, public liability and property damage insurance, legal and accounting expenses, supplies

and a maintenance reserve. The Common Charges do not include maintenance, repairs or decoration of interior of the Residential Units or portions thereof, payments required pursuant to the terms of Residential Unit Owners' mortgages or real estate taxes covering the individual Residential Units. Purchasers should refer to Section V and Schedule C as to the Maintenance Charges and obligations that are the responsibility of The Boardwalk Long Beach Homeowners Association, Inc.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Residential Units are set forth on Schedule A. See Schedule B-1 for estimated heating and other utility costs for each model type Residential Unit. However, additional services which the Residential Unit Owners may desire or other factors can increase these charges. The initial Board of Managers may commence the collection of Common Charges upon the Closing of Title to the first Residential Unit or at any subsequent date as in its sole discretion it may determine. Prior to the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first year budget at its sole expense. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Residential Unit Owners and the Sponsor as Owner of the Unsold Residential Units in accordance with the Common Interest set forth herein. The Common Charges will initially be placed in an account in the name of the Board of Managers in a bank authorized to do business in the State of New York.

Where a Residential Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Residential Unit over and above the proceeds from any fire insurance on the Residential Units will be a Common Charge to all Residential Unit Owners. In order to protect the Residential Unit Owner against the possibility of such Common Charges, the Board of Managers determines the amount of blanket casualty insurance covering all Residential Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually.

The Sponsor shall be liable for the Common Charges, Special Assessments, real estate taxes and individual utility costs of all Residential Units to which title has not been transferred to a Purchaser commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a Purchaser, the Purchaser shall be solely responsible for all costs associated with the Residential Unit including but not limited to Common Charges, Maintenance Charges, any Special Assessments, real estate taxes and all individual utility costs. Purchasers should see Section V of the Offering Plan as to Sponsor's deficiency obligation regarding Maintenance Charges of the Association.

Liens for the Non-Payment of Common Charges

Under Section 339-z of the Real Property Law of the State of New York, The Board of Directors of the Association on behalf of the Board of Managers shall have a

lien against each Residential Unit for its unpaid Common Charges and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Residential Unit except that the Board of Directors, on behalf of the Board of Managers, shall, in accordance with the Declaration of Condominium, release the lien and right to collect unpaid Common Charges against any Purchaser of a Residential Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Directors of the Association on behalf of the Board of Managers may foreclose the lien in the same manner as a mortgage on real property or bring a separate action to collect the unpaid Common Charges and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Residential Unit Owner for the payment of Common Charges thereafter assessed against the Residential Unit Owner's Residential Unit shall terminate upon a sale, transfer or conveyance of such Residential Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Residential Unit Owner may convey the Residential Unit Owner's Residential Unit to the Board of Managers or its nominee, on behalf of all other Residential Unit Owners, without any compensation and in accordance with the Declaration of Condominium and By-Laws of the Condominium, and in such event the Residential Unit Owner shall be exempt from any Common Charges thereafter assessed, but not relieved of the Residential Unit Owner's obligation to pay the Residential Unit Owner's mortgage. However, a Residential Unit Owner may not be exempt from liability for Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Residential Unit Owner's Residential Unit.

Upon a resale, the Purchaser of a Residential Unit shall be liable for the payment of unpaid Common Charges assessed against such Residential Unit prior to the acquisition of such Residential Unit by the Purchaser, except that a mortgagee who acquires title to a Residential Unit or a Purchaser at a foreclosure sale shall not be liable and the Residential Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Residential Unit by the mortgagee or Purchaser at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien on any Residential Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Residential Unit Owners as a Common Expense.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Residential Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

Repairs, Alterations and Improvements to Residential Units

All maintenance, painting, repairs and replacement of the General Common Elements, General Residential Units' Limited Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium, including but not limited to exterior walls, roof and roof membranes and roof housing of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two (2) or more Units shall be contracted for by and be the responsibility of the Board of Directors of the Association and the cost thereof shall be a Common Expense of the Association, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner. In the event the Association fails to meet its obligations or affirmatively relinquishes its obligations it shall then become the obligation of the Condominium and shall be a Common Expense of the Condominium.

All maintenance, repair and cost to the interior portion of the window area and doors which open from a Unit are the sole obligation of the Unit Owner. All maintenance, repair, replacement and costs to the external portion of the window area, the actual window and external portion of the doors which open or face the outside of a Unit will be the responsibility of the Association and the cost thereof shall be a Common Expense of the Association. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from or face the outside of a Unit be caused as a direct result of the negligence or act of a Unit Owner, occupant, tenant, guest or any other person residing, visiting or doing work in the Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any private balcony, and/or terrace areas that are designated as an Individual Residential Unit's Limited Common Element will be the responsibility of the Association. Notwithstanding, the cost of such repairs and replacements shall be charged to the Individual Residential Unit Owner whom has the exclusive use of the private balcony, and/or terrace unless the repair or replacement is necessitated as a result of general maintenance or repair to the General Common Elements or General Residential Units' Limited Common Elements, in which case the cost shall be a Common Expense of the Association. Any dispute as to who is responsible for the cost and expense of the repairs and replacements to any private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common

Element shall be resolved by arbitration pursuant to the provisions of Article XIII of the By-Laws.

All general maintenance and repairs of a private balcony, and/or terrace area and all fencing, landscaping, pavers, surfaces, railing, drains, utilities, pipes, wires conduits lighting located in or on and for the exclusive use of the private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including, but not limited to, the repair of leaks; the repair, maintenance and replacement of surfaces and pavers thereon; the maintenance and replacement of all landscaping and plantings thereon or therein; and repair, maintenance and replacement of any lighting, mechanical equipment, railing, and/or fencing located thereon or therein;), shall be the responsibility of the Residential Unit Owner whose private balcony, and/or terrace area is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The Board of Directors of the Association shall have the right to designate or approve a contractor or contractors to do the necessary work to the private balcony, and/or terrace area that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

The private balconies and/or terraces that are Individual Residential Unit Limited Common Elements are not permitted to be used for storage, are not permitted to be enclosed and are not permitted to be used for any type of bedroom or for sleeping or similar use. All drains located on a private balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a private balcony and/or terrace, except as may be necessary for the use of said space.

All repairs, maintenance and any replacement of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Residential Unit exclusively shall be the responsibility of the Association for such equipment, services, etc. All costs associated therewith shall be the obligation of the individual Residential Unit Owner who is served by or exclusively benefits from such equipment, services, etc. The Association shall bill the individual Residential Unit Owner and such amount shall be payable to the Association in addition to any Condominium Common Charges and Association Maintenance Charges due by said Residential Unit Owner.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Non-Residential Unit that is located in the Non-Residential Unit or is an Individual Non-Residential Unit's Limited Common Element located in or on the Common Elements

and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Non-Residential Unit exclusively shall be the responsibility of the Non-Residential Unit Owner for such equipment, services, etc.

All structural repairs of the Garage shall be the responsibility of the Association. The Garage may only be utilized for the parking of automobiles and similar type vehicles. Residential Unit Owners will not be permitted to store any combustible material or other items in the Garage that may be illegal or cause the Condominium insurance to be increased.

The Board of Directors of the Association, as agent of the Board of Managers of the Condominium, shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and General Residential Units' Limited Common Elements. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Unit, or caused by any prior alteration of a Unit, shall be assessed to and paid by the applicable Unit Owner.

All maintenance, repairs and replacements to a Non-Residential Unit and Non-Residential Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Non-Residential Unit Owner at its/their sole expense.

All snow removal from the General Common Elements and General Residential Units' Limited Common Elements shall be the responsibility of the Association.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Directors of the Association on behalf of the Condominium, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied or waived by the Board of Directors of the Association.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Limited Common Element for the Residential or Non-Residential Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, General Residential Units' Limited Common Elements, any other portions of the Building or any other Unit or other Limited Common Element, the Board of Directors of the Association, on behalf of the Condominium, shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential or Non-Residential Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) of the Unit or Individual Limited Common Elements for a Unit's exclusive use and to charge said Residential or Non-Residential Unit Owner for the cost of all such repairs and/or

maintenance and/or replacement. In the event that the Board of Directors of the Association, on behalf of the Condominium, charges a Residential or Non-Residential Unit Owner for repairs, maintenance and/or replacement to their Residential or Non-Residential Unit or for repairs to any Common Elements restricted in use to such Residential or Non-Residential Unit Owner, and the Residential Unit or Non-Residential Unit Owner fails to make prompt payment, the Board of Directors of the Association, on behalf of the Condominium, shall be entitled to bring suit thereon and, in such event, the Residential or Non-Residential Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The Board of Directors of the Association, on behalf of the Condominium, and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Directors of the Association, on behalf of the Condominium, shall determine that action is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

The Board of Directors of the Association, on behalf of the Condominium, shall have the right to designate or approve a contractor or contractors to do any structural work in or on a Residential Unit or Individual Residential Unit's Limited Common Element that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

Any dispute as to who is responsible to repair, maintain or replace any of the Common Elements, no matter how classified, shall be resolved by binding arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

Any or all of the aforementioned rights and obligations that have been delegated to the Board of Directors of the Association shall become the affirmative right and obligation of the Board of Managers of the Condominium should the Board of Directors of the Association fail to meet its obligations or affirmatively relinquish its rights and/or obligations.

In the event the Association fails to meet its obligations and the Sponsor is still entitled to control of the Board of Managers of the Condominium the Sponsor controlled Board of Managers will be responsible for all of the obligations that have been delegated to the Association. In the event the Sponsor controlled Board of Managers of

the Condominium fails to meet said obligations the Residential Unit Owners in the Condominium may be required to seek independent counsel to enforce the provisions of the Offering Plan and the By-Laws which might require injunctive relief in a court of law.

Insurance

Purchasers should refer to Section XXII of the Offering Plan for a complete disclosure of the insurance applicable to the Condominium**.**

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE RESIDENTIAL UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

The Board of Directors on behalf of the Condominium will arrange for repair of the Residential Units in the event of casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Residential Units, the balance of the cost of such repairs will be assessed against all Residential Unit Owners. For further provisions regarding repair or reconstruction of Residential Units, after fire or casualty and condemnation provisions see Article VIII and XIII of the Condominium By-Laws. In the event of a casualty loss, the Residential Unit Owners will continue to pay the Common Charges on the Residential Unit Owner's Residential Unit.

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

Access by Board of Managers

The Board of Directors of the Association or the Board of Managers, should the Board of Directors fail to meet or relinquish its obligations, or any of their agents, employees or contractors shall have a right of access to any Residential Unit and to all portions of all Common Elements, limited or not, for the purpose of carrying out any of its obligations under the By-Laws, the Declaration and Rules and Regulations of the Condominium and the By-Laws, Rules and Regulations and the Declaration of Covenants and Restrictions of the Association. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Residential Units but no prior notice shall be required in the event the respective Board shall determine that action is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

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

Ownership of a Residential Unit in the Condominium subjects the Residential Unit Owner to compliance with the provisions of the Declaration and By-Laws of the

Condominium and/or Association as well as any Rules and Regulations contained in the Declaration or By-Laws of the Condominium and/or Association or established by the Condominium and Homeowners Association in accordance therewith. The Rules and Regulations for the Condominium are set forth in the By-Laws in Part II of the Plan in Schedule J, Article VIII and in Schedule J-4 for the Association. The Board of Managers of the Condominium and Board of Directors of the Association can institute legal actions to enforce compliance with the provisions of the Declaration of Condominium and By-Laws of the Condominium as well as the Rules and Regulations of the Condominium established therewith.

No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Residential Unit Owner's Unit, or any Limited Common Element of the Residential Unit, without the prior written approval of the Board of Directors of the Association on behalf of the Condominium. Said provisions requiring the written consent of the Board of Managers or Board of Directors does not apply to the Sponsor.

The provisions of the By-Laws which requires Residential Members of the Board of Managers of the Condominium and the Board of Directors of the Association to be Residential Unit Owners will not apply to the first Board of Managers of the Condominium and Board of Directors of the Association or any Sponsor designees to the Board of Managers of the Condominium and/or the Board of Directors of the Association. The Non-Residential Board Member shall be designated by the Sponsor, its successor, assignee or designee as long as the Sponsor retains ownership of a Non-Residential Unit. At such time as the Sponsor no longer retains ownership of any Non-Residential Unit the one (1) Non-Residential Board Member shall be elected by the then Non-Residential Unit Owners as provided for in Article II, Section 9 of the Condominium By-Laws.

Easements

General Provisions Applicable to All Easements

All easements granted or reserved in the Declaration shall be exercised: (i) upon reasonable (*i.e.*, two business days') prior notice to all Unit Owners affected by the entry or other exercise of the applicable easement, except in case of an emergency or exigent circumstances; (ii) in such a manner as to minimize interference with the use and enjoyment of the Units; (iii) without making any installations on the then-existing exterior walls, ceilings or columns of any Unit or Limited Common Element, and without making any installations that would reduce the usable size of any Unit or Limited Common Element by more than a *de minimis* amount, without the prior written consent of the Owner(s) of such Unit or Limited Common Element.

Easement Rights Granted to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc.

As per the provisions of Article Twenty-Sixth of the Declaration of Condominium, the Board of Managers has granted an irrevocable power of attorney to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. and the Association's Board of Directors, and their successors, jointly, their true and lawful attorney-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf the right to act in their behalf and to take any and all action necessary to perform all rights and obligations delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. contained in the Declaration and the By-Laws of the Condominium and to enforce said rights and obligations. The obligation to maintain, repair and replace the General Common Elements of the Condominium, the General Residential Units' Limited Common Elements of the Condominium and any Limited Common Elements delegated to the Association to maintain, repair and replace as described in the Declaration of Condominium, Declaration of Covenants and Restrictions and in the By-Laws of the Condominium and/ or the Association shall be the responsibility of the Board of Directors of the Association as more fully described in the Declaration of Covenants and Restrictions and By-Laws of the Association filed or to be filed in the Nassau County Clerk's Office. The easements contained herein applicable to the obligations of the governing body of the Condominium shall be easements delegated to the Board of Directors of the Association unless the Board of Directors fails to meet or affirmatively relinquishes its obligations and responsibilities. Any rights and obligations contained in the Declaration of Condominium that have been delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. shall become the affirmative obligation of the Board of Managers to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations. As such any and all easements granted to the Board of Managers herein shall likewise be granted to the Board of Directors of the Association.

Easement Provided for Rights In Declaration of Covenants and Restrictions

The Board of Directors of the Association or the Board of Managers, should the Board of Directors fail to meet or relinquish its obligations, or any of their agents, employees or contractors shall have easements and a right of access through, under, over and across the Common Elements (whether restricted or not) and the Units for the purpose of performing all of its obligations as provided for in a certain Declaration of Covenants and Restrictions and By-Laws of the Association and/or the Declaration of Condominium and By-Laws of the Condominium filed or to be filed in the Nassau County Clerk's Office.

Board Easement to Install, Utilize, Operate, Maintain, Repair, etc.

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations,

and its agents, contractors and maintenance staff will have, and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore, replace and inspect the General Common Elements and any Limited Common Elements that are the obligation of the Association or Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium, wherever located, and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements or any Limited Common Elements, no matter how classified.

Unit Owners Easement

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

Easement for Mechanical Equipment

The Board of Directors of the Association, and the Board of Managers of the Condominium should the Board of Directors fail to meet or relinquish its obligations, shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment, or meters servicing any portion of the Condominium.

Board of Directors/Board of Managers Access Easement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, stormwater drainage lines (including any on-site drainage vaults) and active sub-slab depressurization systems, wires, cable lines or connections, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage or in imminent danger of causing damage to any other Unit or any Common Element, no matter how classified. The cost of such repairs shall be a Common Expense unless the damage is the result of the negligence of a Unit Owner or tenant, occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant, occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to relinquish its obligations, shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

Board of Directors/Board of Managers/Agents/Employees/Contractors Easement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, and their agents, employees and contractors shall have an easement for access through all the Common Elements and the Units for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any Unit or any other Common Element no matter how classified, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium or for the health and safety of the Condominium and its residents. Such right of access to a Unit shall be exercised in such a manner as is required in the event the Board of Managers shall determine that action is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

Board of Directors/Board of Managers Easement to Install Utilities, Operate, etc.

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements, General Residential Units' Limited Common Elements and the Individual Residential Unit's Limited Common Elements that are the obligation of the Association or Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements, General Residential Units' Limited Common Elements or Individual Residential Unit's Limited Common Elements.

Utility Easement

Each respective utility and cable company shall have a right of access to the Common Elements and each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, stormwater drainage lines (including any on-site drainage vaults), active sub-slab depressurization systems, wires, conduits and public utility lines located in the Common Elements and any Unit. Any utility or cable company and its employees and agents shall have the right of access to any Unit or the Common Elements, no matter how classified, in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

Right to Use and Connect Utilities

Sponsor, the Board of Directors of the Association, the Board of Managers of the Condominium, and all Unit Owners of Units subject to the Declaration of Condominium shall have the right to connect with and make use of utility lines, wires, pipes, conduits, cable television lines, sanitary sewers, stormwater drainage lines (including any on-suite drainage vaults) and active sub-slab depressurization systems which may from time to time be in or along the Condominium Property.

Public Access Easement

There shall be a perpetual and unobstructed, non-exclusive, non-vehicular easement over and across the stairs and ramps located on the southern portion of the Property, which portion of the Property is adjacent to the City of Long Beach Boardwalk, for the purpose of perpetual and unobstructed public pedestrian and non-motorized bicycle use throughout the easement area for access to the Non-Residential Units in the Condominium. The maintenance of the improvements in the easements shall be the responsibility of the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations. The maintenance obligation herein shall also include repair and replacement of the improvements and amenities within the easement area, including landscaping. Notwithstanding the grant of the aforesaid easement, there shall be no public access to the Outdoor Amenities or any other portion of the Condominium or Association Property except as expressly described in the Declaration of Condominium or Declaration of Covenants and Restrictions.

Board Right to Grant Easements

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes unless required by law. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants unless access is immediately necessary to preserve the health and safety of the Condominium or for the health and safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

Sponsor Right to Grant Easement

As long as the Sponsor retains an Unsold Unit, the Sponsor shall have the absolute right (without any obligation to obtain the consent of the Board of Directors, Board of Managers or any other Unit Owner or other party except as required by law) to grant such additional electric, gas or other utility easements or relocate any existing utility easements in any portion of the Property as Sponsor shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants, and occupants of the applicable Units, provided that such additional utilities or the relocation of existing utilities will not prevent or interfere, in any material respect, with the normal conduct of business of the tenants and occupants of a Non-Residential Unit or the permitted use of the Residential Units.

Easement in Subsequent Phase

All Residential Unit Owners, residents, tenants, occupants, and guests of any Residential Unit Owner of any Residential Unit in the Subsequent Phase shall have an easement in, through, over and across any roads and parking areas in 140 Boardwalk Condominium and shall be permitted to use all guest parking located within 140 Boardwalk Condominium on a first come first served basis along with the Residential Unit Owners of 140 Boardwalk Condominium.

All Residential Unit Owners, residents, tenants, occupants, and guests of any Residential Unit Owner of any Residential Unit in the Subsequent Phase (Tower A) shall have an easement in, through, over and across the roads, parking areas, and General Common Elements and General Residential Units' Limited Common Elements in and through 140 Boardwalk Condominium, for access to the 140 Boardwalk Amenity Rooms, any Recreational Facilities located in or on 140 Boardwalk Condominium, and, if necessary, along with the Residential Unit Owners, residents, tenants, occupants, and guests of 140 Boardwalk Condominium.

Access Easement to Sponsor for Repairs and Maintenance

The Sponsor and its agents and contractors shall have and each Residential Unit Owner shall be deemed to grant, a right of access in, under, over and through the Residential Units, the Non-Residential Units, the Residential Areas, the General Residential Units' Limited Common Element and/or Individual Residential Unit's Limited Common Elements and/or a Non-Residential Unit Owner's Limited Common Elements to the Sponsor or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, inspection, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements, no matter how classified, servicing the Residential and Non-Residential Areas of the Condominium.

Easement for Communication Services

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall have the right to grant Non-Residential Unit easements in any portion of the Condominium, except the Non-Residential Unit and Limited Common Elements appurtenant thereto, as the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall deem necessary or desirable for the purpose of installation, maintenance and repair of a satellite dish, cable service, internet service, fiber optics or other communication services and all ancillary wires, conduits, utility lines and any other services required for a satellite dish, cable service, internet service, fiber optics or other communication services for the use of the Unit Owners in the Condominium.

Easement for Access for Repairs, Maintenance and Replacement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors of the Association fail to meet or relinquish its obligations, shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

Sponsor Easement for Construction

The Sponsor, its successors, assigns and designees reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all of the Property and the Building comprising the Condominium for the purpose of completing construction, sale and rental of Units and facilities in the Condominium and towards this end, reserve the right to grant and reserve easements and rights-of-way in, through, under, over and across all of the Property and the Building comprising the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, stormwater drainage lines (including any on-site drainage cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, its successors, assigns and designees, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or on the Property and Building comprising the Condominium. The Sponsor, its successors, assigns, and designees shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Property and the Building comprising the Condominium as it deems necessary for the purposes of advertising the sale or lease of the Residential Units, the Non-Residential Units, and for the purpose of showing the Residential Units, Non-Residential Units to

prospective Purchasers or lessees and for access to Residential Units, Non-Residential Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease the Residential Units and Non-Residential Units, together with their Percentage of Common Interest in the Common Elements. The Sponsor, its successors, assigns and designees reserve the right to continue to use the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, if applicable, Non-Residential Units' Limited Common Elements, if applicable, and any facilities, sales offices, model Residential Units and signs located in or on the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements and the Non-Residential Units' Limited Common Elements, in its efforts to sell and/or lease the Residential Units and Non-Residential Unit, constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Sponsor, its successors, assignees and/or designees.

Sponsor Access to Unit

Sponsor shall have and each Unit Owner shall be deemed to grant a right of access to and through their Unit to Sponsor or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements, no matter how classified, and/or the Units. Each Unit Owner grants an easement of ingress and egress in, over and through any hallway that may be part of their Unit to any other Unit Owner, tenant, resident, or other persons needing ingress or egress to their respective Unit that may be necessary for said purpose.

Sponsor Members Use and Access to Amenity Rooms and Outdoor Amenities

All individual members of the Sponsor and their guests and invitees shall have the right of access to and through the Common Elements, no matter how classified, and shall be granted a right to use all the Amenity Rooms and Outdoor Amenities of the Condominium. The right of access to use said facilities shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners.

Easement of Support

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs and exterior walls) supporting or serving the Building and any replacement thereof and additions thereto and an easement of necessity and each Unit will be subject to an

easement of support and necessity in favor of all other Units and the Common Elements.

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

Easement of Use

Each Unit Owner will have a right and easement to use its Unit and the Common Elements, no matter how classified, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

Easement for Common Elements

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors of the Association fail to meet or affirmatively relinquish its obligations, will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements, the General Residential Unit's Limited Common Elements, and any other Limited Common Elements that are the obligation of the Condominium and/or the Association located in, over, under, through or upon any Residential Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Residential Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements or any Limited Common Elements that are the obligation of the Condominium and/or the Association.

Residential Unit Owners Access Easement

All Residential Unit Owners, tenants, occupants, residents, guests and anyone else needing access to a Residential Unit shall have an easement of ingress and egress, in, through and over the Residential Area of the Condominium Property.

Easement for Emergency Purposes

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through all areas of the Property. This Paragraph may not be amended by the Unit Owners in the Condominium.

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

easement or as otherwise authorized by the Sponsor, the Unit Owner or Board of Managers.

Non-Residential Unit Owner(s) Easement

The owner(s) of a Non-Residential Unit and any Units resulting from the subdivision and/or consolidation of a Non-Residential Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, wires, conduits, drainage, sewer, water and other mechanical equipment, pipes, wires, conduits, lines and fixtures and equipment servicing a Non-Residential Unit in, on, through, under or over the Common Elements, no matter how classified, including but not limited to the exterior walls, the roof and the basement and in, on, through under and over any Non-Residential Unit and any Units resulting from the subdivision or consolidation of the Non-Residential Unit; (ii) access in and through the Common Elements of the Condominium, no matter how classified, for all required work including, without limitation, the installation of equipment, pipes, wires, conduits, utility lines, cable equipment required to provide and permit the subdivision or consolidation of a Non-Residential Unit in conformance with Article Sixth of the Declaration of Condominium; (iii) access through the Common Elements of the Condominium, no matter how classified, for the use of any Non-Residential Unit's Limited Common Element including any storage area and roof equipment and for access to any portion of the Building for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter required for the operation of a Non-Residential Unit now or in the future that is located in or on the Building that now or in the future services or is necessary to service a Non-Residential Unit including any roof equipment and any storage area, provided, however, that except in the case of an emergency, the right of access for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Non-Residential Unit may be exercised only on weekdays between the hours of 8:00 AM to 6:00 PM unless the Board of Managers consents to additional times and days of the week. A Non-Residential Unit and any Non-Residential Units resulting from the subdivision or consolidation of a Non-Residential Unit shall be subject to easements in favor of any other Non-Residential Unit(s) and any Non-Residential Unit resulting from the subdivision or consolidation of a Non-Residential Unit for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Non-Residential Unit and any Units resulting from the subdivision or consolidation of a Non-Residential Unit. The owner and tenants of a Non-Residential Unit shall have the right at their sole cost and expense to install separate heating and cooling systems and other necessary equipment, pipes, wires, conduits, ducts, lines and flues required for the operation of a Non-Residential Unit and any Non-Residential Units resulting from the subdivision or consolidation of a Non-Residential Unit in or on the General Common Elements and General Residential Units' Limited Common Elements and an easement is herewith granted in, over, under and through the Common Elements of the Condominium, no matter how classified, for (i) the installation, maintenance, repair and replacement of the heating and cooling systems and any other mechanical equipment

or system now or in the future required for the operation of a Non-Residential Unit and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised; (ii) for access for repair, maintenance and replacement to any equipment, pipes, wires, conduits, lines, ducts, vents and flues that services a Non-Residential Unit now or in the future and which is located in the Residential Area of the Condominium or located in an Individual Residential Unit's Limited Common Elements and (iii) to erect, maintain and replace one or more signs on the Condominium Property permitted by law for the purpose of advertising the operation of any business conducted by a Non-Residential Unit Owner or tenant of a Non-Residential Unit Owner. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium and will comply with applicable regulations of the City of Long Beach.

If permitted by applicable law and/or municipal requirements the Non-Residential Unit Owner shall have the right to change a Non-Residential Unit into any other type of use.

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

The obligation to maintain, repair and replace the General Common Elements and General Residential Units' Limited Common Elements of the Condominium and any Individual Residential Unit's Limited Common Elements delegated to the Association to maintain, repair and replace as described herein and in the By-Laws shall be the responsibility of the Board of Directors of the Association as more fully described in the Declaration of Covenants and Restrictions and By-Laws of the Association filed or to be filed in the Nassau County Clerk's Office. These easements shall be easements solely for the Board of Directors of the Association unless the Board of Directors fails to meet or affirmatively relinquishes its obligations and responsibilities. In such an event the easements shall be for the benefit of the Board of Managers of the Condominium.

Drainage Easement and Maintenance Agreement

The Condominium and Association shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Drainage Easement and Maintenance Agreement is to be recorded in the Nassau County Clerk's Office and provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Condominium parcel and reciprocal easement over the Breeze Parcel in favor of the owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the 100-140 Boardwalk Parcel and

Breeze Parcel. The Association, on behalf of any Condominiums subject to the Declaration of Covenants and Restrictions, shall be responsible for the of installation, maintenance, and repair of the portion(s) of the drainage system(s) located within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. A copy of the Drainage Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule M. Disputes regarding the costs and maintenance associated with the Drainage Easement and Maintenance Agreement shall be submitted for arbitration pursuant to the provisions of Article XVII of the By-Laws of the Association.

Access Easement and Maintenance Agreement

The Condominium and the Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development. The Access Easement and Maintenance Agreement is to be recorded in the Nassau County Clerk's Office and provides for an easement in favor of the Sponsor, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel. The common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the owner of the Breeze Parcel shall perform all necessary maintenance and repairs to the common roadway and the Association, on behalf of any Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association to a Site Operator appointed via the terms of the Access Easement and Maintenance Agreement and designated to oversee the maintenance and repair of the common roadway and the invoicing for the costs thereof. The expenses to be paid by the Association shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Access Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). A copy of the Access Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule N. Disputes regarding the costs and maintenance associated with the Access Easement and Maintenance Agreement shall be submitted for arbitration pursuant to the provisions of Article XVII of the By-Laws of the Association.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges. Each Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit a pursuant to section 339-i(1)(iv) of the Real Property Law of the State of New York. The Percentage of Common Interest of one (1) or more Units may have been adjusted a de minimis amount so that the total equals 100%.

The percentage of the undivided interest in the Common Elements shall not be changed except with the consent of all of the Residential Unit Owners affected expressed in a duly recorded amendment to the Declaration of Condominium.

Copies of both the Declaration of Condominium and By-Laws of the Condominium are contained in Part II of the Offering Plan.

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XXVI. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Residential Unit will be separately assessed and taxed as a separate tax lot and the Residential Unit Owner will not be responsible for payment of or subject to any lien arising from nonpayment of taxes for another Residential Unit. The estimated monthly costs and charges to be incurred by the owner of each Residential Unit in the first year in which the property will be fully subject to real estate taxes together with estimated Common Charges on each Residential Unit and other carrying costs are set forth on Schedule A.

Real estate tax estimates for the first year of operation are based upon information received from Koeppel Martone and Leistman, LLC, a wholly owned subsidiary of Forchelli Deegan Terrana, 333 Earle Ovington Boulevard, Suite 1010, Uniondale, NY 11553, based upon the community being fifty (50%) percent completed. A copy of the real estate tax opinion letter is contained in Section XXIX of the Plan. In the event that the real estate tax opinion letter or projections contained therein are updated, the Offering Plan will be amended to disclose same.

Pursuant to current law a condominium must be assessed as if it were a rental apartment complex, for which the capitalization of income approach is the preferred methodology.

The Condominium property is situated in two separate and distinct assessing jurisdictions, Nassau County and the City of Long Beach. Each municipality is subject to a different standard of assessing a condominium building for purposes of real property taxation. The assessed value set by Nassau County is the basis for the School tax and the General tax and the assessed value set by the City of Long Beach is the basis for the City tax.

Nassau County. Pursuant to Section 1801 of the Real Property Tax Law, Nassau County is a special assessing unit which requires all real property to be placed in one of four classes of property. The building will be considered "Class 2" under Section 1805 of the Real Property Tax Law which includes all rental apartment buildings, cooperatives, condominiums over 3-stories, and condominiums of 3-stories or less that were converted from residential apartment dwellings.

Section 339-y(b) of the Real Property Law dictates that for real estate tax purposes, "[i]n no event shall the aggregate of the assessment of the [condominium] units plus their common interests exceed the total valuation of the property were the property assessed as a parcel." Section 581(a) of the Real Property Tax Law similarly provides that "...real property owned...on a condominium basis shall be assessed...at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned...on a condominium basis." The courts have interpreted these statutes as requiring the

tax assessor to value the condominium as a rental apartment complex utilizing the capitalization of income method of appraisal.

City of Long Beach. By way of contrast, the City of Long Beach is an approved assessing unit under Article 19 of the Real Property Tax Law which has two classes of property, homestead and non-homestead. The building will be considered a homestead property under Section 1901(13)(a) which includes "...all other residential real property consisting of more than three dwelling units held in condominium form of ownership..."

Section 339-y(1)(d)(ii) of the Real Property Law and Section 581(1)(b) of the Real Property Tax Law mandate that properties in the homestead class of an approved assessing unit are not subject to the aforementioned valuation limitation that requires use of the capitalization of income method. Instead, the City tax assessor may use sales prices of the units in formulating his opinion of value for property taxation purposes.

The Condominium was approximately 50% complete as of January 1, 2023, the taxable status date for the 2024/25 County tax year and just after the December 1, 2022, taxable status date for the City's 2023/24 tax year. The Condominium is expected to be 100% complete as of August 1, 2024, a few months prior to the January 1, 2025, taxable status date for the Nassau County 2026/27 tax year and just prior to the December 1, 2024, taxable status date for the City's 2025/26 tax year. Since estimating future assessment ratios would be too speculative, the current 2023/24 Nassau County and 2022/23 City of Long Beach assessment ratios have been used in the tax projection analysis. Koeppel Martone and Leistman, LLC, a wholly owned subsidiary of Forchelli Deegan Terrana, have developed an estimate of taxes for the units as if they were completed on the 2024/25 Nassau County assessments roll and City of Long Beach 2025/26 assessment roll utilizing:

a) projected pricing and building plans provided to Koeppel, Martone and Leistman, LLC;

b) the 2023/24 County of Nassau Class 2 assessment ratio of 1%;

c) the 2022/23 City of Long Beach assessment ratio of 2.87% of value;

d) estimated aggregate Nassau County and Long Beach School tax rate of $326.340 per $100 of assessed value for the 2024/25 tax year and $339.524 for the 2026/27 tax year;

e) estimated Long Beach City Tax Rate of $20.784 per $100 of assessed value for 2023/24 tax year and $22.264 per $100 of assessed value for the 2025/26 tax year; and

f) a review of similar properties located within the City of Long Beach.

A copy of the Koeppel Martone and Leistman, LLC opinion letter is contained in Section XXIV of the Offering Plan. Purchasers should refer to Schedule B of the opinion letter as to anticipated real estate taxes after construction is 100% complete.

Purchasers should further note that for the 2016/17 tax year the State of New York has effectively eliminated the STAR exemption program in favor of a new "personal income tax credit" ("PIC") for all qualifying Residential Units purchased after August 1, 2015. Eligible unit owners must register their Residential Unit and file an application with the State of New York online at https//www8.tax.ny.gov/STRP/strpStart. In order to qualify for the STAR PIC, the applicant must utilize the unit as their primary residence and the Residential Unit Owners' aggregate annual income must not exceed $500,000. No paperwork will be required to be filed with the Assessor's office, as the State will be administering the PIC program without local assistance. For the 2021/22 tax year, qualified applicants received a STAR exemption benefit of $705 on their tax bills. Assuming the state calculates the PIC utilizing the same factors and formula currently utilized for the STAR exemption, qualified applicants could expect to receive a credit of approximately $705 for the 2024/25 tax year if the condominium units were purchased and occupied.

Although in the Sponsor's opinion the above method of calculation, assessed valuation and real estate taxes applicable to each Unit are reasonable there can be no assurance that the assessed valuation, real estate taxes or the method of calculation of real estate taxes applicable to each Unit will be the method of calculation, final assessed valuation or real estate taxes utilized, issued or assessed by the applicable taxing authorities for each Unit. If for any reason a different method of calculation is used or a different assessment is placed upon any of the Units by such authorities or a different tax rate is in effect real estate taxes may increase or decrease depending upon the final decision of such taxing authorities and/or the then applicable tax rate.

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.

No representation or warranty is made that the actual assessed valuation will be as projected Schedule A, or that the projected tax rate will not change. In no event will Sponsor, Sponsor's Counsel, or any offerors hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind the Purchaser's Purchase Agreement, in the event the actual taxes differ from those projected. In addition, pursuant to the Federal Tax cuts and Jobs act of 2017, the real estate taxes payable by a Residential Unit Owner which are assessed against their Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and State Income Taxes payable by such Residential Unit Owner to a maximum of

$10,000. In the event a Purchaser of a Residential Unit obtains a mortgage, the interest payable on mortgages up to $750,000 will be deductible for Federal income tax purposes to the extent allowed by law provided the Residential Unit will be the Purchaser's principal residence. Purchasers should further note that any projected tax deduction (where applicable) may vary in future years due to changes in real property taxes resulting from changes in the assessed value, the tax rate or the method of assessing real property. The Offering Plan will be amended to disclose any material change in the assessed valuation of the Residential Units or the tax rates.

It is anticipated that the Closing of Title to the first Residential Unit in 100 Boardwalk Condominium will occur in March of 2024, barring any unforeseen circumstances such as rate of sales, weather conditions, pandemic, possible strikes, material shortages, acts of God, force majeure or other unforeseen delays beyond the control of the Sponsor.

In the event the Residential Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Residential Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Residential Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Residential Unit. In the event the actual assessment is greater than the amount adjusted, Purchaser agrees to reimburse Sponsor after the Closing to the extent of the actual assessment. In the event the actual assessment is less than the amount adjusted, Sponsor agrees to reimburse the Purchaser after the Closing to the extent of the actual assessment.

Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the Unsold Residential Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Residential Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Residential Units are separately assessed, the funder of the escrow account will be reimbursed for any overpayment of taxes or assessed for an underpayment.

There are no tax certiorari proceedings currently pending for the property. Pursuant to the term of the By-Laws the Board of Managers is empowered to act as an agent for one (1) or more Residential Unit Owners to file a single complaint and bring a special proceeding on behalf of Residential Unit Owners who wish to contest the real estate tax assessments of their Residential Unit pursuant to Section 339-y (4) of the New York Property Law. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Residential Unit Owners.

Residential Unit Owners will not be responsible for the payment of, nor will they be subjected to, any lien arising from the non-payment of real estate taxes on other Residential Units.

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

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

The Sponsor has been advised by its counsel, Certilman Balin Adler & Hyman, LLP, that the monthly payments of interest on any mortgage, up to a maximum mortgage of $750,000, which becomes a lien on a condominium Home, and real estate taxes payable by a Residential Unit Owner, which are assessed against the Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New Yok State Income Taxes payable by the owner of such Condominium Residential Unit to the maximum amount currently allowed by law. Pursuant to the Federal Tax Cuts and Jobs Act of 2017 (the "Act"), which went into effect on January 1, 2018, the maximum mortgage in which an individual can deduct the interest is $750,000. In addition, the Act placed a maximum of $10,000 on the amount an individual can deduct for the combined amount of real estate taxes and State income taxes. See the Opinion of Counsel in Section XXIV of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the Members of the Condominium, or property within the Condominium held by the Members of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result the Condominium will be eligible to be treated as a tax exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXIV of the Offering Plan.

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CERTILMAN BALIN
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EAST MEADOW, NY 11554
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XXVIII. OPINION OF COUNSEL

RICHARD HERZBACH
PARTNER
DIRECT DIAL 516.296.7006
rherzbach@certilmanbalin.com

August 24, 2023

Isla Blu at Long Beach LLC
300 Jericho Turnpike, Suite 100
Jericho, New York 11753

Re: **100 Boardwalk Condominium**

Gentlepeople:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage, up to a maximum mortgage of $750,000, which becomes a lien on a condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, which are assessed against the Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New York State Income Taxes payable by the owner of such Condominium Residential Unit to the maximum amount currently allowed by law. Pursuant to the Federal Tax Cuts and Jobs Act of 2017 (the "Act"), which went into effect on January 1, 2018, the maximum mortgage in which an individual can deduct the interest is $750,000. In addition, the Act placed a maximum of $10,000 on the amount an individual can deduct for the combined amount of real estate taxes and State income taxes.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code (the "Code") the provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Unit, in connection with their Federal and New York State income taxes to the maximum amount currently allowed by the Act. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is their principal residence will be entitled, under the Code and Section 615 (a) of the State Law, to deduct interest paid or accrued by the Residential Unit Owner on any mortgage which becomes a lien on a Condominium Residential Unit to the maximum amount currently allowed by the Act.

In adding a new Section 528 to the Code, the Tax Reform Act of 1976 affords certain Condominiums and Associations, substantially all of whose Residential Units are

used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium or Association properties, which properties, as defined in 528 of the Code, include property held by the Condominium or Association, or property within the Condominium or Association. Based upon our examination of the Offering Plan and subject to the Condominium or Association, if one is formed, actually satisfying the minimum percentage income and expenditure criteria set forth above, it is out opinion that the Condominium or Association will be eligible to be treated as a tax exempt organization under Section 528 of the Code.

Such an election will exempt from Federal and New York State Income Taxation all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources of income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. In the event either the Condominium or the Association fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners not expended in any taxable year, be subject to Federal and New York State Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each Residential Unit Owner's assessment for such purposes would add to their tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that all expenses are designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the exceptions to title set forth in Section XVI of the Offering Plan, and we are of the opinion that none of such exceptions of title are contrary to the terms of the Purchase Agreement nor do they interfere with the quiet use or enjoyment of the Purchaser's Residential Unit as set forth in the Offering Plan.

In addition, we note that the Percentage of Common Interest for each Unit as contained in Schedule A has been determined based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and overall dimensions of the particular Unit. In our opinion, this is a proper method of determining the Percentage of Common Interest in a Condominium and complies with Section 339-i(1)(iv) of the Real Property Law.

In our opinion, the Condominium will be eligible for tax exempt status, if it so elects, and Residential Unit Owners will be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of Section 528 of the Code or the New York State tax law as amended and Residential Unit Owners are not entitled to income tax deductions.

It is our understanding that this letter will be made a part of the Offering Plan of the Condominium.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: _____
RICHARD HERZBACH, Partner

FORCHELLI DEEGAN TERRANA

KOEPPEL MARTONE & LEISTMAN, LLC
a wholly owned subsidiary

DONALD F. LEISTMAN
PARTNER
DLEISTMAN@FORCHELLILAW.COM

May 11, 2023

VIA E-MAIL: SKrieger@b2kdev.com
Mr. Steven Krieger
B2K Development
300 Jericho Turnpike, Suite 100
Jericho, NY 11753

Re: Proposed Residential Apartment Complex: 100 Boardwalk Condominium – Isla Blue at Long Beach LLC (Phase II)
Property at: East Broadway, City of Long Beach
Tax Map Description: Section 59, Block 116, Lot 39
KML File Numbers: 60084 and 60085

Dear Mr. Krieger:

You have requested our reasonable estimate of the assessed values and resultant taxes that will be levied by the County of Nassau and the City of Long Beach on Phase II of a proposed residential project that is to be constructed at East Broadway between Riverside Boulevard and Long Beach Boulevard in the City of Long Beach. The sponsor's plan calls for two phases of construction totaling 192 residential condominium units. The second phase will be known as "100 Boardwalk Condominium" and will consist of one nine-story building containing a total of 95 residential units.

Property data provided indicates that the subject will contain 62 two-bedroom units (ranging 1,277± to 1,918± square feet), 30 one-bedroom units (ranging 934± to 1,010± square feet), a three-bedroom unit (2,848± square feet) and 2 four-bedroom units (2,658± and 2,845± square feet). Each unit will be improved with a terrace and residents will have access to a two-story below grade parking garage. Each unit will belong to The Boardwalk Long Beach Homeowner's Association and common area amenities will include access to an outdoor café and lounge, outdoor pool with sun-shelf and barbecue stations, club room, dog wash and roof deck.

The total living area for Phase II will consist of approximately 120,039± square feet and the complex will be built on a 2.76± acre plot of land which is currently described on the Nassau County Land and Tax Map as Section 59, Block 116, Lot 39. The property was previously undeveloped vacant land. As a result, the proposed residential building is new construction and not a conversion of use. Construction plans call for the building to be approximately 50% complete as of January 1, 2023 and 100% complete as of August 1, 2024.

Applicable Law

The subject property is situated in two separate and distinct assessing jurisdictions, Nassau County and the City of Long Beach. Each municipality is subject to a different standard of assessing a condominium building for purposes of real property taxation. The assessed value set by Nassau County is the basis for the School tax and the General tax and the assessed value set by the City of Long Beach is the basis for the City tax. A brief review of applicable laws and condominium appraisal principles will be useful.

Nassau County. Pursuant to Section 1801 of the Real Property Tax Law, Nassau County is a special assessing unit which requires all real property to be placed in one of four classes of property. The building will be considered "Class 2" under Section 1805 of the Real Property Tax Law which includes all rental apartment buildings, cooperatives, condominiums over 3-stories, and condominiums of 3-stories or less that were converted from residential apartment dwellings.

Section 339-y(b) of the Real Property Law dictates that for real estate tax purposes, "[i]n no event shall the aggregate of the assessment of the [condominium] units plus their common interests exceed the total valuation of the property were the property assessed as a parcel". Section 581(a) of the Real Property Tax Law similarly provides that " . . . real property owned on a condominium basis shall be assessed at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned …on a on a condominium basis." The courts have interpreted these statutes as requiring the tax assessor to value the condominium as a rental apartment complex utilizing the capitalization of income method of appraisal.

City of Long Beach. By way of contrast, the City of Long Beach is an approved assessing unit under Article 19 of the Real Property Tax Law which has two classes of property, homestead and non-homestead. The building will be considered a homestead property under Section 1901(13)(a) which includes " . . . all other residential real property consisting of more than three dwelling units held in condominium form of ownership . . ."

Section 339-y(1)(d)(ii) of the Real Property Law and Section 581(1)(b) of the Real Property Tax Law mandate that properties in the homestead class of an approved assessing unit are not subject to the aforementioned valuation limitation that requires use of the capitalization of income method. Instead, the City tax assessor may use the "market" approach to value, incorporating sales prices of the units, in formulating an opinion of value for property taxation purposes.

Projected Assessment and Property Tax Estimate Analysis

You have advised that the project is expected to be approximately 50% complete as of January 1, 2023, the taxable status date for the 2024/25 County tax year and just prior to the December 1, 2022 taxable status date for the City's 2023/24 tax year. You have also advised that plans call for the project to be 100% complete as of August 1, 2024, a few months prior to the January 1, 2025 taxable status date for the Nassau County 2026/27 tax year and just prior to the December 1, 2024 taxable status date for the City's 2025/26 tax year. Since estimating future assessment ratios would be too speculative, we have used the current 2023/24 Nassau County and 2022/23 City of Long Beach assessment ratios in our tax projection analysis.

Further, in order to formulate an estimate of value and potential taxes, we must also estimate future School, County and City tax rates.

Estimated Long Beach School and Nassau County General Tax Rates: For the current 2021/22 tax year the Long Beach School District set a Class 2 tax rate of 266.832 per $100 and the County of Nassau set a General Class 2 tax rate of 40.685 per $100, for a total Class 2 rate of 307.517[1].

In order to estimate a future tax rate, we must analyze the subject's tax rate history to determine an average increase per annum. Here, our review indicates that the property's aggregate School and General tax rate has increased by an average of two percent (2%) per year for the 10 year period preceding the County's revaluation of all properties in 2020. As a result, after applying an average increase of two percent (2%) per annum we estimate the aggregate 2025/26 Long Beach School and Nassau County General tax rate as follows:

[1] Per Department of Assessment records, the subject was previously assessed as Class 1 residential vacant land. After construction, the subject will be assessed as a Class 2 property.

Tax Year	Tax Rate
2021/22	307.517
2022/23	313.667
2023/24	319.941
2024/25	326.340
2025/26	332.866
2026/27	339.524

Estimated Long Beach City Tax Rates: As mentioned above, in order to estimate a future tax rate, we must analyze the subject's tax rate history to determine an average increase per annum. Here, our review indicates that the City tax rate has increased by an average of three- and one-half percent (3.5%) per year over the last 10 years. As a result, after applying an average increase of three- and one-half percent (3.5%) per annum to the current rate we estimate the future City tax rates as follows:

Tax Year	Tax Rate
2021/22	20.081
2022/23	20.784
2023/24	21.511
2024/25	22.264
2025/26	23.850

Estimate of Assessed Value and Property Taxes

We have estimated the assessed values and real property taxes for each condominium unit utilizing the following data:

(a) projected pricing and building plans provided to our firm as of May 1, 2023;

(b) the 2023/24 County of Nassau Class 2 assessment ratio of 1%;

(c) the 2022/23 City of Long Beach assessment ratio of 2.87% of value;

(d) estimated aggregate Nassau County and Long Beach School tax rate of $326.340 per $100 of assessed value for the 2024/25 tax year and $339.524 for the 2026/27 tax year;

(e) estimated Long Beach City Tax Rate of $20.784 per $100 of assessed value for 2023/24 tax year and $22.264 per $100 of assessed value for the 2025/26 tax year; and

(f) a review of similar properties located within the City of Long Beach.

Estimated Taxes for The First Year of Operation (50% Complete)

Based on the plot plans provided, our experience with appraisals of condominium properties for tax assessment purposes and a review of similar properties located within the City of Long Beach, we estimate the assessed values and potential real estate taxes for the condominium's first year of operation at 50% complete to be as set forth in the annexed "Schedule A". The projected real estate taxes for the first year of operation contained in the attached "Schedule A" are based on an assessment of the building before construction and rehabilitation are complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after construction is complete. See the paragraph below together with the annexed "Schedule B" for our estimate of taxes for the condominium after it is assessed as a complete structure by the Assessors.

Estimated Taxes for The Second Year of Operation (100% Complete)

You have advised that the project is expected to be 100% complete as of August 1, 2024, which is four months prior to the January 1, 2025 taxable status date for the County's 2026/27 tax year and three months prior to the December 1, 2024 tax status date for the City's 2025/26 tax year. As a result, the 2026/27 County and 2025/26 City tax years will be the first tax years to reflect the structures as fully complete. After a review of the plot plans provided, projected pricing and comparable properties, we estimate the assessed values and potential real estate taxes for the subject to be as set forth in the annexed "Schedule B".

STAR Exemptions

As of the 2016/17 tax year the State of New York has effectively eliminated the STAR exemption program in favor of a new "personal income tax credit" ("PIC") for all qualifying homes purchased after August 1, 2015. Eligible unit owners must register their home and file an application with the State of New York online at https://www.tax.ny.gov/pit/property/star/. In order to qualify for the STAR PIC, the applicant must utilize the unit as their primary residence and the homeowners' aggregate annual income must not exceed $500,000. No paperwork will be required to be filed with the Assessor's Office, as the State administers the PIC program without local assistance. Per the New York State Department of Taxation and Finance[2], qualified applicants received a maximum basic STAR exemption benefit of $705.00 for the 2021/22 tax year.

[2] See https://www.tax.ny.gov/pit/prop0erty/star/comparison/28-nassau.htm

Finally,

(a) Our tax estimates are based on estimated aggregate Nassau County and Long Beach School tax rate of $326.340 per $100 of assessed value for the 2024/25 tax year and $339.524 for the 2026/27 tax year and estimated Long Beach City Tax Rate of $20.784 per $100 of assessed value for 2023/24 tax year and $22.264 per $100 of assessed value for the 2025/26 tax year; and will change to the extent that these rates increase as a result of municipal budgetary or other reasons;

(b) Our assessment estimates are based on the 2023/24 assessment ratio of 1% and the 2022/23 City of Long Beach assessment ratio of 2.87% of value;

(c) Actual assessed values for the subject will be established by Nassau County and the City of Long Beach utilizing whatever assessment ratio is in effect when the subject is valued as complete;

(d) Our estimates do not include added value factors for location premiums or optional extras, and the taxes could increase to the extent of such premiums or extras;

(e) All common areas of the condominium will not be separately assessed, but will be reflected in the assessed value for the entire complex; and

(f) No warranty or representation is made that the County or City's Assessor will assess as we have estimated, or that the taxes will be established at the rates we have estimated.

Very truly yours,
FORCHELLI DEEGAN TERRANA LLP

By _____
DONALD F. LEISTMAN

DFL:bf

100 Boardwalk Condominium
Real Property Tax Projection
Schedule "A"

Unit #	Model	Offering Price	Estimated Nassau County Assessed Value	Estimated School Tax	Estimated General Tax	Estimated Long Beach Assessed Value	Estimated Long Beach Taxes	Estimated Total Tax
LANAI 1	B-02	$1,375,000	1,568	$4,442	$675	$21,669	$4,504	$9,621
LANAI 2	A-02	$875,000	997	$2,824	$429	$13,776	$2,863	$6,117
LANAI 3	A-01	$905,000	1,018	$2,882	$438	$14,063	$2,923	$6,243
LANAI 4	A-04	$905,000	1,018	$2,882	$438	$14,063	$2,923	$6,243
LANAI 5	B-03	$1,475,000	1,636	$4,633	$705	$22,602	$4,697	$10,035
LANAI 6	A-03	$1,015,000	1,069	$3,027	$460	$14,853	$3,087	$6,574
LANAI 7	B-04	$1,230,000	1,381	$3,912	$595	$19,086	$3,967	$8,473
LANAI 8	B-04	$1,230,000	1,381	$3,912	$595	$19,086	$3,967	$8,473
401	B-01	$1,675,000	1,739	$4,926	$749	$24,037	$4,996	$10,671
402	B-01	$1,675,000	1,739	$4,926	$749	$24,037	$4,996	$10,671
403	B-02	$1,400,000	1,589	$4,500	$684	$21,956	$4,563	$9,747
404	B-02	$1,400,000	1,589	$4,500	$684	$21,956	$4,563	$9,747
405	A-02	$925,000	1,013	$2,868	$436	$13,992	$2,908	$6,212
406	A-02	$925,000	1,013	$2,868	$436	$13,992	$2,908	$6,212
407	A-01	$955,000	1,033	$2,926	$445	$14,279	$2,968	$6,339
408	A-01	$955,000	1,033	$2,926	$445	$14,279	$2,968	$6,339
409	B-03	$1,500,000	1,662	$4,706	$716	$22,960	$4,772	$10,194
410	B-03	$1,500,000	1,662	$4,706	$716	$2,296	$477	$5,899
411	B-04	$1,250,000	1,402	$3,971	$604	$19,373	$4,026	$8,602
412	B-04	$1,250,000	1,402	$3,971	$604	$19,373	$4,026	$8,602
501	D-01	$3,650,000	3,790	$10,736	$1,633	$52,378	$10,886	$23,254
503	B-02	$1,425,000	1,610	$4,559	$693	$22,243	$4,623	$9,875
504	B-02	$1,425,000	1,610	$4,559	$693	$22,243	$4,623	$9,875
505	A-02	$940,000	1,028	$2,912	$443	$14,207	$2,953	$6,307
506	B-07	$2,000,000	2,077	$5,882	$894	$28,700	$5,965	$12,741
507	A-01	$970,000	1,049	$2,970	$452	$14,494	$3,012	$6,434
509	B-03	$1,525,000	1,688	$4,780	$727	$23,319	$4,847	$10,354
510	B-03	$1,525,000	1,688	$4,780	$727	$23,319	$4,847	$10,354
511	B-04	$1,270,000	1,423	$4,029	$613	$19,660	$4,086	$8,728
512	B-04	$1,270,000	1,423	$4,029	$613	$19,660	$4,086	$8,728
601	B-01	$1,725,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
602	B-01	$1,725,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
603	B-02	$1,450,000	1,630	$4,617	$702	$22,530	$4,683	$10,002
604	B-02	$1,450,000	1,630	$4,617	$702	$22,530	$4,683	$10,002
605	A-02	$965,000	1,044	$2,956	$450	$14,422	$2,997	$6,403
606	A-02	$965,000	1,044	$2,956	$450	$14,422	$2,997	$6,403
607	A-01	$995,000	1,065	$3,015	$459	$14,709	$3,057	$6,531
608	A-01	$995,000	1,065	$3,015	$459	$14,709	$3,057	$6,531
609	B-03	$1,550,000	1,714	$4,854	$738	$23,678	$4,921	$10,513
610	B-03	$1,550,000	1,714	$4,854	$738	$23,678	$4,921	$10,513
611	B-04	$1,290,000	1,444	$4,089	$622	$19,947	$4,146	$8,856
612	B-04	$1,290,000	1,444	$4,089	$622	$19,947	$4,146	$8,856
701	B-01	$1,760,000	1,828	$5,177	$787	$25,256	$5,249	$11,213
702	B-01	$1,760,000	1,828	$5,177	$787	$25,256	$5,249	$11,213
703	B-02	$1,485,000	1,651	$4,677	$711	$22,817	$4,742	$10,130
704	B-02	$1,485,000	1,651	$4,677	$711	$22,817	$4,742	$10,130
705	A-02	$990,000	1,059	$3,000	$456	$14,637	$3,042	$6,498
706	A-02	$990,000	1,059	$3,000	$456	$14,637	$3,042	$6,498
707	A-01	$1,020,000	1,080	$3,059	$465	$14,924	$3,102	$6,626
708	A-01	$1,020,000	1,080	$3,059	$465	$14,924	$3,102	$6,626
709	B-03	$1,585,000	1,739	$4,926	$749	$24,037	$4,996	$10,671

100 Boardwalk Condominium
Real Property Tax Projection
Schedule "A"

Unit #	Model	Offering Price	Estimated Nassau County Assessed Value	Estimated School Tax	Estimated General Tax	Estimated Long Beach Assessed Value	Estimated Long Beach Taxes	Estimated Total Tax
710	B-03	$1,585,000	1,739	$4,926	$749	$24,037	$4,996	$10,671
711	D-02	$2,950,000	3,063	$8,676	$1,319	$42,333	$8,798	$18,794
801	B-01	$1,795,000	1,864	$5,280	$803	$25,759	$5,354	$11,437
802	B-01	$1,795,000	1,864	$5,280	$803	$25,759	$5,354	$11,437
803	B-02	$1,535,000	1,672	$4,735	$720	$23,104	$4,802	$10,257
804	B-02	$1,535,000	1,672	$4,735	$720	$23,104	$4,802	$10,257
805	A-02	$1,015,000	1,075	$3,044	$463	$14,853	$3,087	$6,593
806	A-02	$1,015,000	1,075	$3,044	$463	$14,853	$3,087	$6,593
807	A-01	$1,045,000	1,096	$3,103	$472	$15,140	$3,147	$6,722
808	A-01	$1,045,000	1,096	$3,103	$472	$15,140	$3,147	$6,722
809	B-03	$1,635,000	1,765	$5,000	$760	$24,395	$5,070	$10,830
810	B-03	$1,635,000	1,765	$5,000	$760	$24,395	$5,070	$10,830
811	B-04	$1,365,000	1,532	$4,338	$660	$20,664	$4,295	$9,293
812	B-04	$1,365,000	1,532	$4,338	$660	$20,664	$4,295	$9,293
901	B-01	$1,830,000	1,900	$5,382	$818	$26,261	$5,458	$11,658
902	B-01	$1,830,000	1,900	$5,382	$818	$26,261	$5,458	$11,658
903	B-02	$1,585,000	1,693	$4,794	$729	$23,391	$4,861	$10,385
904	B-02	$1,585,000	1,693	$4,794	$729	$23,391	$4,861	$10,385
905	A-02	$1,045,000	1,091	$3,089	$470	$15,068	$3,132	$6,690
906	A-02	$1,040,000	1,091	$3,089	$470	$15,068	$3,132	$6,690
907	A-01	$1,075,000	1,111	$3,147	$479	$15,355	$3,191	$6,817
908	A-01	$1,070,000	1,111	$3,147	$479	$15,355	$3,191	$6,817
909	B-03	$1,685,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
910	B-03	$1,685,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
911	B-04	$1,415,000	1,532	$4,338	$660	$21,167	$4,399	$9,397
912	B-04	$1,415,000	1,532	$4,338	$660	$21,167	$4,399	$9,397
1001	C-01	$4,500,000	4,673	$13,235	$2,013	$64,575	$13,421	$28,670
1004	B-02	$1,635,000	1,714	$4,854	$738	$23,678	$4,921	$10,513
1005	A-02	$1,075,000	1,106	$3,133	$476	$15,283	$3,176	$6,786
1006	A-02	$1,065,000	1,106	$3,133	$476	$15,283	$3,176	$6,786
1007	A-01	$1,105,000	1,127	$3,191	$485	$15,570	$3,236	$6,912
1008	A-01	$1,095,000	1,127	$3,191	$485	$15,570	$3,236	$6,912
1009	B-03	$1,735,000	1,817	$5,147	$783	$25,113	$5,219	$11,149
1010	B-03	$1,735,000	1,817	$5,147	$783	$25,113	$5,219	$11,149
1011	B-04	$1,465,000	1,568	$4,442	$675	$21,669	$4,504	$9,621
1012	B-04	$1,465,000	1,568	$4,442	$675	$21,669	$4,504	$9,621
PH-1	B-02	$1,710,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
PH-2	B-02	$1,710,000	1,791	$5,073	$772	$24,754	$5,145	$10,990
PH-3	B-06	$2,650,000	2,700	$7,647	$1,163	$37,310	$7,755	$16,564
PH-4	B-06	$2,600,000	2,700	$7,647	$1,163	$37,310	$7,755	$16,564
PH-5	B-03	$1,810,000	1,646	$4,663	$709	$22,745	$4,727	$10,099
PH-6	B-03	$1,810,000	1,646	$4,663	$709	$22,745	$4,727	$10,099
PH-7	B-04	$1,540,000	1,947	$5,515	$839	$26,907	$5,592	$11,946
PH-8	B-04	$1,540,000	1,947	$5,515	$839	$26,907	$5,592	$11,946

100 Boardwalk Condominium
Real Property Tax Projection
Schedule "B"

Unit #	Model	Offering Price	Estimated Nassau County Assessed Value	Estimated School Tax	Estimated General Tax	Estimated Long Beach Assessed Value	Estimated Long Beach Taxes	Estimated Total Tax
LANAI 1	B-02	$1,375,000	3,136	$9,242	$1,405	$43,337	$9,649	$20,296
LANAI 2	A-02	$875,000	1,994	$5,876	$894	$27,552	$6,134	$12,904
LANAI 3	A-01	$905,000	2,035	$5,997	$912	$28,126	$6,262	$13,171
LANAI 4	A-04	$905,000	2,035	$5,997	$912	$28,126	$6,262	$13,171
LANAI 5	B-03	$1,475,000	3,271	$9,640	$1,466	$45,203	$10,064	$21,170
LANAI 6	A-03	$1,015,000	2,137	$6,298	$958	$29,705	$6,614	$13,869
LANAI 7	B-04	$1,230,000	2,762	$8,140	$1,238	$38,171	$8,498	$17,876
LANAI 8	B-04	$1,230,000	2,762	$8,140	$1,238	$38,171	$8,498	$17,876
401	B-01	$1,675,000	3,478	$10,250	$1,559	$48,073	$10,703	$22,512
402	B-01	$1,675,000	3,478	$10,250	$1,559	$48,073	$10,703	$22,512
403	B-02	$1,400,000	3,177	$9,363	$1,424	$43,911	$9,776	$20,563
404	B-02	$1,400,000	3,177	$9,363	$1,424	$43,911	$9,776	$20,563
405	A-02	$925,000	2,025	$5,968	$908	$27,983	$6,230	$13,105
406	A-02	$925,000	2,025	$5,968	$908	$27,983	$6,230	$13,105
407	A-01	$955,000	2,066	$6,089	$926	$28,557	$6,358	$13,372
408	A-01	$955,000	2,066	$6,089	$926	$28,557	$6,358	$13,372
409	B-03	$1,500,000	3,323	$9,793	$1,489	$45,920	$10,224	$21,506
410	B-03	$1,500,000	3,323	$9,793	$1,489	$4,592	$1,022	$12,305
411	B-04	$1,250,000	2,804	$8,264	$1,257	$38,745	$8,626	$18,146
412	B-04	$1,250,000	2,804	$8,264	$1,257	$38,745	$8,626	$18,146
501	D-01	$3,650,000	7,580	$22,339	$3,397	$104,755	$23,323	$49,059
503	B-02	$1,425,000	3,219	$9,487	$1,443	$44,485	$9,904	$20,833
504	B-02	$1,425,000	3,219	$9,487	$1,443	$44,485	$9,904	$20,833
505	A-02	$940,000	2,056	$6,059	$921	$28,413	$6,326	$13,306
506	B-07	$2,000,000	4,153	$12,239	$1,861	$57,400	$12,780	$26,880
507	A-01	$970,000	2,097	$6,180	$940	$28,987	$6,454	$13,573
509	B-03	$1,525,000	3,375	$9,946	$1,513	$46,638	$10,383	$21,842
510	B-03	$1,525,000	3,375	$9,946	$1,513	$46,638	$10,383	$21,842
511	B-04	$1,270,000	2,845	$8,384	$1,275	$39,319	$8,754	$18,413
512	B-04	$1,270,000	2,845	$8,384	$1,275	$39,319	$8,754	$18,413
601	B-01	$1,725,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
602	B-01	$1,725,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
603	B-02	$1,450,000	3,260	$9,607	$1,461	$45,059	$10,032	$21,100
604	B-02	$1,450,000	3,260	$9,607	$1,461	$45,059	$10,032	$21,100
605	A-02	$965,000	2,087	$6,151	$935	$28,844	$6,422	$13,508
606	A-02	$965,000	2,087	$6,151	$935	$28,844	$6,422	$13,508
607	A-01	$995,000	2,129	$6,274	$954	$29,418	$6,550	$13,778
608	A-01	$995,000	2,129	$6,274	$954	$29,418	$6,550	$13,778
609	B-03	$1,550,000	3,427	$10,100	$1,536	$47,355	$10,543	$22,179
610	B-03	$1,550,000	3,427	$10,100	$1,536	$47,355	$10,543	$22,179
611	B-04	$1,290,000	2,887	$8,508	$1,294	$39,893	$8,882	$18,684
612	B-04	$1,290,000	2,887	$8,508	$1,294	$39,893	$8,882	$18,684
701	B-01	$1,760,000	3,655	$10,772	$1,638	$50,512	$11,246	$23,656
702	B-01	$1,760,000	3,655	$10,772	$1,638	$50,512	$11,246	$23,656
703	B-02	$1,485,000	3,302	$9,731	$1,480	$45,633	$10,160	$21,371
704	B-02	$1,485,000	3,302	$9,731	$1,480	$45,633	$10,160	$21,371
705	A-02	$990,000	2,118	$6,242	$949	$29,274	$6,518	$13,709
706	A-02	$990,000	2,118	$6,242	$949	$29,274	$6,518	$13,709
707	A-01	$1,020,000	2,160	$6,366	$968	$29,848	$6,645	$13,979
708	A-01	$1,020,000	2,160	$6,366	$968	$29,848	$6,645	$13,979
709	B-03	$1,585,000	3,478	$10,250	$1,559	$48,073	$10,703	$22,512

100 Boardwalk Condominium
Real Property Tax Projection
Schedule "B"

Unit #	Model	Offering Price	Estimated Nassau County Assessed Value	Estimated School Tax	Estimated General Tax	Estimated Long Beach Assessed Value	Estimated Long Beach Taxes	Estimated Total Tax
710	B-03	$1,585,000	3,478	$10,250	$1,559	$48,073	$10,703	$22,512
711	D-02	$2,950,000	6,126	$18,054	$2,745	$84,665	$18,850	$39,649
801	B-01	$1,795,000	3,728	$10,987	$1,671	$51,517	$11,470	$24,127
802	B-01	$1,795,000	3,728	$10,987	$1,671	$51,517	$11,470	$24,127
803	B-02	$1,535,000	3,343	$9,852	$1,498	$46,207	$10,288	$21,638
804	B-02	$1,535,000	3,343	$9,852	$1,498	$46,207	$10,288	$21,638
805	A-02	$1,015,000	2,149	$6,333	$963	$29,705	$6,614	$13,910
806	A-02	$1,015,000	2,149	$6,333	$963	$29,705	$6,614	$13,910
807	A-01	$1,045,000	2,191	$6,457	$982	$30,279	$6,741	$14,180
808	A-01	$1,045,000	2,191	$6,457	$982	$30,279	$6,741	$14,180
809	B-03	$1,635,000	3,530	$10,403	$1,582	$48,790	$10,863	$22,848
810	B-03	$1,635,000	3,530	$10,403	$1,582	$48,790	$10,863	$22,848
811	B-04	$1,365,000	3,063	$9,027	$1,373	$41,328	$9,201	$19,601
812	B-04	$1,365,000	3,063	$9,027	$1,373	$41,328	$9,201	$19,601
901	B-01	$1,830,000	3,800	$11,199	$1,703	$52,521	$11,693	$24,595
902	B-01	$1,830,000	3,800	$11,199	$1,703	$52,521	$11,693	$24,595
903	B-02	$1,585,000	3,385	$9,976	$1,517	$46,781	$10,415	$21,908
904	B-02	$1,585,000	3,385	$9,976	$1,517	$46,781	$10,415	$21,908
905	A-02	$1,045,000	2,181	$6,428	$977	$30,135	$6,709	$14,114
906	A-02	$1,040,000	2,181	$6,428	$977	$30,135	$6,709	$14,114
907	A-01	$1,075,000	2,222	$6,548	$996	$30,709	$6,837	$14,381
908	A-01	$1,070,000	2,222	$6,548	$996	$30,709	$6,837	$14,381
909	B-03	$1,685,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
910	B-03	$1,685,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
911	B-04	$1,415,000	3,063	$9,027	$1,373	$42,333	$9,425	$19,825
912	B-04	$1,415,000	3,063	$9,027	$1,373	$42,333	$9,425	$19,825
1001	C-01	$4,500,000	9,345	$27,540	$4,188	$129,150	$28,754	$60,482
1004	B-02	$1,635,000	3,427	$10,100	$1,536	$47,355	$10,543	$22,179
1005	A-02	$1,075,000	2,212	$6,519	$991	$30,566	$6,805	$14,315
1006	A-02	$1,065,000	2,212	$6,519	$991	$30,566	$6,805	$14,315
1007	A-01	$1,105,000	2,253	$6,640	$1,010	$31,140	$6,933	$14,582
1008	A-01	$1,095,000	2,253	$6,640	$1,010	$31,140	$6,933	$14,582
1009	B-03	$1,735,000	3,634	$10,710	$1,629	$50,225	$11,182	$23,520
1010	B-03	$1,735,000	3,634	$10,710	$1,629	$50,225	$11,182	$23,520
1011	B-04	$1,465,000	3,136	$9,242	$1,405	$43,337	$9,649	$20,296
1012	B-04	$1,465,000	3,136	$9,242	$1,405	$43,337	$9,649	$20,296
PH-1	B-02	$1,710,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
PH-2	B-02	$1,710,000	3,582	$10,556	$1,605	$49,508	$11,022	$23,184
PH-3	B-06	$2,650,000	5,399	$15,911	$2,420	$74,620	$16,613	$34,944
PH-4	B-06	$2,600,000	5,399	$15,911	$2,420	$74,620	$16,613	$34,944
PH-5	B-03	$1,810,000	3,292	$9,702	$1,475	$45,490	$10,128	$21,305
PH-6	B-03	$1,810,000	3,292	$9,702	$1,475	$45,490	$10,128	$21,305
PH-7	B-04	$1,540,000	3,894	$11,476	$1,745	$53,813	$11,981	$25,202
PH-8	B-04	$1,540,000	3,894	$11,476	$1,745	$53,813	$11,981	$25,202

XXIX. RESERVE FUND

The Condominium and Homeowners Association budget includes as a line item a reserve fund ("Reserve Fund") in the amount as provided for in the respective budget. Said Reserve Fund is to be collected out of the Common Charges of the Condominium and the Maintenance Charges paid by the Unit Owners of the Association. The Reserve Fund for the Condominium is to be used solely for future repair of the Common Elements of the Condominium and the Reserve Fund for the Association to be used towards future repair of the Common Area of the Association and the Common Elements of the various condominiums within the overall Community as indicated in the footnotes.

No representation is made that the Reserve Fund will be adequate for future expenses including repairs or replacements of Common Elements. If additional funds are required over and above the Reserve Fund, it may be necessary to increase the Maintenance Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner.

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

The By-Laws of the Condominium and the Association each contain a provision authorizing the establishment of such Reserve Fund and limiting their use to capital expenditures.

The Reserve Fund is to be utilized for capital improvements to the Community including the Outdoor Amenities, Amenity Rooms, roadways, roofs and exterior facades of the Buildings, as necessary. The Outdoor Amenities, Amenity Rooms, and roadways are anticipated to be completed in August of 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales. The roofs and exterior facades of the Buildings will be completed prior to the Closing of Title to a Residential Unit. The Closing of Title to the first Residential Unit is expected to take place on or about March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales and the completion of 100 Boardwalk Condominium is expected by March 1, 2024, subject to unforeseen circumstances beyond Sponsor's control such as weather conditions, pandemic, labor strikes, material shortages, force majeure, acts of God and anticipated rate of sales.

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

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XXX. WORKING CAPITAL FUND

At each Closing the Sponsor will collect the equivalent of two (2) months' Common Charges and two (2) months' Maintenance Charges from each Purchaser to be paid to 100 Boardwalk Condominium and The Boardwalk Long Beach Homeowners Association, respectively, as working capital.

While Sponsor is in control of the Board of Managers of 100 Boardwalk Condominium, the Working Capital funds for the Condominium may be used to reduce the Common Charges of the Condominium. The Working Capital Fund for the Condominium may also be utilized to reimburse Sponsor for prepaid expenses of the Condominium. Any adjustments for prepaid expenses between the Board of Managers and Sponsor for the Condominium may be deducted only from the Condominium Working Capital Fund. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B. At such time as the Sponsor relinquishes control of the Board of Managers any remaining balance of the Working Capital Fund will be turned over to the Unit Owner representatives of the Board of Managers for their management and oversight to be used for any purposes determined by the Board of Managers. The Offering Plan does not provide for any minimum Working Capital Fund to be turned over to the Board of Managers, regardless of any adjustments to the Sponsor for prepaid expenses.

While Sponsor is in control of the Board of Directors of The Boardwalk Long Beach Homeowners Association, the Working Capital funds for the Association may not be used to reduce the Maintenance Charges of the Association. The Working Capital Fund for the Association may, however, be utilized to reimburse Sponsor for prepaid expenses of the Association. Any adjustments for prepaid expenses between the Board of Directors and Sponsor for the Association may be deducted only from the Association Working Capital Fund. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule C. At such time as the Sponsor relinquishes control of the Board of Directors any remaining balance of the Working Capital Fund of the Association will be turned over to the Unit Owner representatives of the Board of Directors of the Association for their management and oversight to be used for any purposes determined by the Board of Directors. The Offering Plan does not provide for any minimum Working Capital Fund to be turned over to the Board of Directors, regardless of any adjustments to the Sponsor for prepaid expenses.

Sponsor will create separate accounts for the Working Capital accounts and will place all of the funds collected, pursuant to this paragraph, in said accounts. Sponsor will turn over any remaining balance of the Working Capital Funds collected to the Unit Owner representatives of the Board of Managers of Condominium and the Board of Directors of the Association for their respective management and oversight at such time as the Sponsor relinquishes control of the respective Board, unless all of the Working Capital was used by the Condominium and/or the Association prior thereto.

Financial institutions may finance needed capital expenditures of the Condominium and/or the Association. However, no representation or warranty is or can be made as to the availability of such loans or as to the terms and conditions upon which they may be available.

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XXXI. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Sponsor has received a proposal to enter into a Management Agreement with Black Diamond Realty having its principal office at 401 Franklin Avenue, Suite 104, Garden City, New York, hereinafter called the "Agent" or "Managing Agent" for both the Condominium and the Association. The Management Agreements shall become effective on the day the first Residential Unit closes and shall continue in full force and effect for five (5) years from the date the first Residential Unit closes. The Condominium shall pay the Agent as compensation a fee of $9,000 per annum, payable monthly at a rate of $750 per month. The Association shall pay an annual fee of $60,000, payable in monthly installments on the first day of each month during the term of this Agreement for Phase I. At such time as Phase II commences the annual fee for management services shall be $85,000, payable in monthly installments on the first day of each month during the term of this agreement. The fee for management services shall increase at a rate of three (3%) percent per annum. In addition, the Agent shall be entitled to the following fees:

(a) Agent shall be reimbursed for all expenses incurred to manage the Condominium. Such costs include but are not limited to photocopies, fax transmissions, rent envelopes, postage, Fed Ex, etc.

(b) For any appearance in any court or agency a separate sum of $100.00 per hour shall be paid to the Agent.

(c) Fees for processing rental applications, Residential Unit sales and processing mortgage requests. Said fees shall be set by the Agent.

Following the Sponsor's relinquishing control of the respective Board, the Agreement may be terminated by the respective Board with cause at the end of any calendar year, with at least sixty (60) days prior written notice by certified mail. The respective Board shall have advised Agent of the cause(s) and Agent shall have been provided sixty (60) days to cure the cause(s) prior to the respective Board being able to terminate the Agreement for cause. During the period the Sponsor is in control of the respective Board either party may terminate the Agreement upon thirty (30) days written notice.

Pursuant to the terms of the Agreements, the Agent's services shall include but not be limited to the following:

(a) Based upon wage rates approved by the respective Board on behalf of the Community and/or its annual budget, the Agent will hire, pay, supervise and discharge the personnel necessary to be employed in order to properly maintain and operate the Community. Such personnel shall, in every instance, be in the Communities and not the Agent's employ. Compensation for the services of such employees shall be considered an operating expense of either the Condominium or Association.

(b) Maintain businesslike relations with the Residential Unit Owners. Complaints of a serious nature shall be reported to the respective Board with appropriate recommendations. The Agent shall set up a process to process all emergency calls after normal business hours.

(c) Collect all monthly Common and Maintenance Charges due from the Residential Unit Owners. The respective Board will authorize and direct the Agent to request, demand, collect and receive all charges or rents which may at any time be or become due to the respective Board, and to take such legal action as necessary to evict Residential Unit Owners delinquent in payment of monthly carrying charges for thirty (30) days or more.

(d) Cause the building, appurtenances and grounds in the Community to be maintained according to standards acceptable to the respective Board, including but not limited to exterior maintenance and such other normal maintenance and repair work, as may be necessary, subject to any limitations imposed by the respective Board in addition to those contained herein. With the exception of payments required for insurance, utilities and respective Board approved contractual obligations, no disbursement shall be made in excess of $1,500 unless specifically authorized by the respective Board; excepting however, that emergency repairs, involving manifest danger to life or property, or for the safety of the members, or required to avoid the suspension of any necessary service to the Community, may be made by the Agent irrespective of the cost limitation imposed by this paragraph. Notwithstanding this authority as to emergency repairs, it is understood and agreed that the Agent will, if at all possible, confer immediately with the respective Board regarding every such expenditure and its effect on the budget. The Agent shall not incur liabilities which will at any time exceed the aggregate of $5,000, or any liability maturing more than one year from the creation thereof without first obtaining the approval of the respective Board.

(e) Take such action as may be necessary comply promptly with any and all orders or requirements affecting the premises placed thereon by any federal, state, county or municipal authority having jurisdiction thereof and inform the respective Board of the same. The Agent, however, shall not take any action so long as the respective Board is contesting, or has affirmed its intention to contest any such requirement.

(f) Enter into contracts for water, electricity, gas, telephone, vermin extermination and other necessary services. Also, place purchase orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the Community. All such contracts and orders shall be made in the name of the respective Board.

(g) Obtain recommendations and prices from insurance companies and cause to be placed and kept in force all forms of insurance needed adequately to protect the Community including, where appropriate, director's and officer's insurance, worker's compensation insurance, public liability insurance, boiler insurance, fire and extended coverage insurance, and burglary and theft insurance.

(h) From the funds collected and deposited into an operating account cause to be disbursed regularly and punctually (1) salaries and any other compensation due and payable to the employees of the Community, and (2) sums otherwise due and payable by the Community as operating expenses authorized to be incurred under the terms of the Agreement, including the Agent's Fee.

(i) Working in conjunction with an accountant, prepare for execution and filing by the respective Board all forms, reports and returns required by law in connection with unemployment insurance, worker's compensation insurance, disability benefits, Social Security and other similar taxes now in effect or hereinafter imposed, and also requirements relating to the employment of personnel.

(j) Maintain a system of office records, books and accounts in a manner satisfactory to the respective Board. As a standard practice, the Agent shall render to the respective Board a statement of receipts and disbursements, a schedule of accounts receivable and payable, and a reconciled bank statement as of the end of the preceding month.

(k) Maintain a current list of Residential Unit Owners and make such record changes as are appropriate in connection with all sales and conveyances.

(l) It shall be the duty of the Agent at all times during the term of the Agreement to operate and maintain the Community consistent with the overall plan of the respective Board. Agent in coordination with the respective Board shall seek full compliance by the Residential Unit Owners with the terms and conditions of the By Laws and Rules and Regulations. The Agent shall be expected to perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under the agreement.

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

Purchasers should refer to Schedules B and C as to contractors who have provided bids for independent services to be provided to the Condominium and the Homeowners Association.

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XXXII. IDENTITY OF PARTIES

Sponsor

The Sponsor is Isla Blu at Long Beach LLC, a Delaware limited liability company with an address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. The Principals of the Sponsor are Jan Burman, Steven Krieger, David Burman, Michael Weiss and Jonathan Weiss. For the past five (5) years, all members have had a business affiliation with the Engel Burman Group, with offices located at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753.

Jan Burman with a business address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 is a leading real estate executive having been involved in the design, development and construction of office, industrial, retail and residential properties throughout Long Island. Mr. Burman is also the past president and chairman of the Association For A Better Long Island. Mr. Burman has developed a 280 bed nursing home; "The Bristal at East Meadow" - a 148 bed assisted living residence adjoining The Meadows at Mitchel Field; "The Bristal at Westbury" - a 168 bed assisted living residence in Westbury, Long Island and "The Bristal at Woodmere." Mr. Burman was a principal of The Meadows Cooperatives I-IV, a 438 senior citizen community located in East Meadow, New York. Cooperative I was accepted for filing by the New York State Department of Law on June 26, 1996, Cooperative II on December 20, 1996, Cooperative III on April 3, 1997, and Cooperative IV on April 18, 1997. Said community has been sold out for over five (5) years. Mr. Burman was also a principal of Ocean Grande Condominium, Rockaway Park, Queens, New York which was accepted for filing on July 7, 2004 as file number CD04-0101, The Bel Aire Condominium, East Meadow, New York which was accepted for filing on July 25, 2005 as file number CD05-0192, The Aqua Condominium, Long Beach, New York, which was accepted for filing on January 8, 2008 as file number CD07-0644, The Seasons at Plainview Condominium, Plainview, New York which was accepted for filing on July 5, 2006 as file number CD05-0623, The Seasons at East Meadow Condominium I, East Meadow, New York which was accepted for filing on May 8, 2008 as file number CD08-0009, The Seasons at East Meadow Condominium II, East Meadow, New York which was accepted for filing on June 4, 2012 as file number CD10-0059, Doubleday Court Condominium, Garden City, New York, which was accepted for filing on August 6, 2013 as file number CD13-0079, The Seasons at Seaford, Seaford, New York, accepted for filing on June 9, 2015 as file number CD15-0056, The Seasons at Elwood Condominium I, Elwood, New York, accepted for filing on November 29, 2016 as file number CD16-0250, The Seasons at Elwood Condominium II, Elwood, New York, accepted for filing on April 4, 2018 as file number CD18-0005, The Seasons at Dix Hills, Dix Hills, New York accepted for filing April 7, 2020 as file number CD19-0396, The Seasons at East Northport Condominium I, East Northport, New York accepted for filing on November 28, 2022, as file number CD22-0141, and 140 Boardwalk Condominium, file number CD22-0254 accepted for filing on June 23, 2023.

Steven Krieger, with the same business address as the Sponsor has been involved in the real estate industry since 1986 as an attorney, builder and developer of commercial properties and multi-family housing. He is a founding partner at the Engel Burman Group and is responsible for new site acquisitions. An expert in the procuring of governmental and municipal approvals, he is also responsible for obtaining financing for all of the company's new developments.

Mr. Krieger has developed and constructed an array of residential and commercial properties throughout Nassau County. He has managed retail and office buildings for private and institutional owners including ABN-AMRO Bank and Apple Bank.

Mr. Krieger was a principal of The Barclay Condominium I and II located in North Merrick, New York, which was completely sold out over ten (10) years ago. He is also a principal of The Bel Aire Condominium, East Meadow, New York which was accepted for filing on July 25, 2005 as file number CD05-0192, The Aqua Condominium, Long Beach, New York, which was accepted for filing on January 8, 2008 as file number CD07-0644, The Seasons at East Meadow Condominium I, East Meadow, New York which was accepted for filing on May 8, 2008 as file number CD08-0009, The Seasons at East Meadow Condominium II, East Meadow, New York which was accepted for filing on June 4, 2012 as file number CD10-0059, Doubleday Court Condominium, Garden City, New York, which was accepted for filing on August 6, 2013 as file number CD13-0079, The Seasons at Seaford, Seaford, New York, accepted for filing on June 9, 2015 as file number CD15-0056, The Seasons at Elwood Condominium I, Elwood, New York, accepted for filing on November 29, 2016 as file number CD16-0250, The Seasons at Elwood Condominium II, Elwood, New York, accepted for filing on April 4, 2018 as file number CD18-0005, The Seasons at Dix Hills, Dix Hills, New York accepted for filing April 7, 2020 as file number CD19-0396, The Seasons at East Northport Condominium I, East Northport, New York accepted for filing on November 28, 2022, as file number CD22-0141, and 140 Boardwalk Condominium, file number CD22-0254 accepted for filing on June 23, 2023.

David Burman has been involved in the development and construction of real estate since 2003. Mr. Burman is involved with land acquisitions, project planning, municipal approvals, construction and sales. Mr. Burman was also a principal of The Bel Aire Condominium, East Meadow, New York which was accepted for filing on July 25, 2005 as file number CD05-0192, Doubleday Court Condominium, Garden City, New York, which was accepted for filing on August 6, 2013 as file number CD13-0079, The Seasons at Seaford, Seaford, New York, accepted for filing on June 9, 2015 as file number CD15-0056, The Seasons at Elwood Condominium I, Elwood, New York, accepted for filing on November 29, 2016 as file number CD16-0250, The Seasons at Elwood Condominium II, Elwood, New York, accepted for filing on April 4, 2018 as file number CD18-0005, The Seasons at Dix Hills, Dix Hills, New York accepted for filing April 7, 2020 as file number CD19-0396, The Seasons at East Northport Condominium I, East Northport, New York accepted for filing on November 28, 2022, as file number

CD22-0141, and 140 Boardwalk Condominium, file number CD22-0254 accepted for filing on June 23, 2023.

Michael Weiss, with a business address at 124 Atlantic Avenue, Lynbrook, New York 11563, has been involved in the development and construction of real estate for almost forty (40) years.

Mr. Weiss was also a principal of The Seasons at Plainview Condominium, Plainview, New York which was accepted for filing on July 5, 2006 as file number CD05-0623, The Aqua Condominium, Long Beach, New York, which was accepted for filing on January 8, 2008 as file number CD07-0644, The Seasons at East Meadow Condominium I, East Meadow, New York which was accepted for filing on May 8, 2008 as file number CD08-0009, The Seasons at East Meadow Condominium II, East Meadow, New York which was accepted for filing on June 4, 2012 as file number CD10-0059, The Seasons at Seaford, Seaford, New York, accepted for filing on June 9, 2015 as file number CD15-0056, The Seasons at Elwood Condominium I, Elwood, New York, accepted for filing on November 29, 2016 as file number CD16-0250, The Seasons at Elwood Condominium II, Elwood, New York, accepted for filing on April 4, 2018 as file number CD18-0005, The Seasons at Dix Hills, Dix Hills, New York accepted for filing April 7, 2020 as file number CD19-0396, The Seasons at East Northport Condominium I, East Northport, New York accepted for filing on November 28, 2022, as file number CD22-0141, and 140 Boardwalk Condominium, file number CD22-0254 accepted for filing on June 23, 2023.

Jonathan Weiss has been involved in the development and construction of real estate since 2004. Mr. Weiss manages the construction of multiple Bristol Assisted Living Communities. Mr. Weiss was also a principal of The Seasons at Plainview Condominium, Plainview, New York which was accepted for filing on July 5, 2006, as file number CD05-0623, Doubleday Court Condominium, Garden City, New York, which was accepted for filing on August 6, 2013 as file number CD13-0079, The Seasons at Elwood Condominium I, Elwood, New York, accepted for filing on November 29, 2016 as file number CD16-0250, The Seasons at Elwood Condominium II, Elwood, New York, accepted for filing on April 4, 2018 as file number CD18-0005, The Seasons at Dix Hills, Dix Hills, New York accepted for filing April 7, 2020 as file number CD19-0396, The Seasons at East Northport Condominium I, East Northport, New York accepted for filing on November 28, 2022, as file number CD22-0141, and 140 Boardwalk Condominium, file number CD22-0254 accepted for filing on June 23, 2023.

Copies of the above Offering Plans are available for inspection at the Office of the New York State Attorney General located at 28 Liberty Street, 21st Floor, New York, New York 10005.

Neither the Sponsor nor its principals have any prior felony convictions. Neither the Sponsor nor its principals have any prior bankruptcies, convictions, injunctions or judgments that may be material to the Offering Plan or to an offering of securities

generally and that occurred within the 15 years prior to the submission of the proposed Offering Plan.

Neither the Sponsor nor any of the principals of any of the above communities own ten (10%) or more of the unsold Homes or Units in the respective communities except for The Seasons at Dix Hills Condominium, The Seasons at East Northport Condominium I, and 140 Boardwalk Condominium. The Sponsors and principals of said Condominiums are current in their obligations to the communities.

Selling Agent

The firm of Douglas Elliman Real Estate, 575 Madison Avenue, 4th Floor, New York, New York 10022 has been engaged by the Sponsor to be the exclusive Selling Agent. The firm is duly licensed under the laws of the State of New York as a real estate broker and is experienced in the sale of cooperatives and condominiums in the Metropolitan Area. Said company is not affiliated with the Sponsor. Current developments that Douglas Elliman is acting as the Selling Agent include the following: The XI, 76 Eleventh Avenue, Chelsea, New York, New York 10011, Madison House, 15 East 30th Street, Nomad, New York, New York 10016, 108 Leonard, 108 Leonard, Tribeca, New York, New York 10013, 565 Broome SoHo, 565 Broome Street, Hudson, New York, New York 10013 and 40 Bleecker, 40 Bleecker Street, NOHO, New York, New York 10012.

Neither the Selling Agent nor any of its principals have any prior felony conviction. Neither the Selling Agent nor any of its principals have any prior bankruptcies, convictions, injunctions, or judgments that may be material to the Offering Plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of the proposed Offering Plan.

Managing Agent

Sponsor has engaged the services of Black Diamond Realty, 401 Franklin Avenue, Suite 104, Garden City, New York 11530 to become the managing agent for a five (5) year term commencing on the date of the Closing of Title to the first Residential Unit.

The principal of Black Diamond Realty has worked in the field of property management for over twenty-five years. The principal has been involved with companies that have managed cooperatives and condominiums throughout Brooklyn, Queens and Nassau Counties ranging in size from nine to four hundred units, including Ocean Grande Condominium in Rockaway Park, Queens, New York, The Bel Aire Condominium in East Meadow, New York, The Seasons at Plainview in Plainview, Villas at Oceanside Condominium in Oceanside, New York, Vernon Jackson Condominium in Long Island City, Queens, Powell Cove Estates Homeowners Association in College Point, Queens and Doubleday Court Condominium in Garden

City, New York. The company has also managed a number of office and retail properties in the Metropolitan area.

The Managing Agent is not affiliated with the Sponsor and does not have any financial interest in the Property except for its management fees for managing the Condominium, which fees are commensurate with prevailing rates for similar services in the area.

Neither the Managing Agent nor its principals have any prior felony convictions. Neither the Managing Agent nor its principals have any prior bankruptcies, convictions, injunctions or judgments that may be material to the Offering Plan or to an offering of securities generally and that occurred within the 15 years prior to the submission of the proposed Offering Plan

Counsel

The law firm of Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, New York 11554 has been engaged by the Sponsor regarding the preparation of this Offering Plan. The individual partner in said firm responsible for the preparation of the Offering Plan is Richard Herzbach, Esq.

Certilman Balin Adler & Hyman, LLP 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554 will also act as the closing attorney and the Escrow Agent for the holding of Deposits as described in Section XI of the Offering Plan.

The above law firm does not have any financial interest in the Property, the Sponsor, the Condominium, or any other party involved in this transaction, except for its fees for services rendered in connection with the Condominium.

Architect/Engineer

Nelson and Pope have been involved with the development of Condominium developments in Long Island for over thirty (30) years including: Bishops Pond, Southampton Village, New York; The Manors at Colony Preserve, Shirley, New York; Meadowbrook Pointe Links Condominium, Medford, New York and The Vineyards at Blue Point, The Vineyards at Brookfield, and The Seasons at Elwood Condominium.

The architect who prepared the report in Part II and who executed an independent Certification in Part II is Minno & Wasko Architects & Planners, with offices at 80 Lambert Lane, Suite 105, Lambertville, NJ 08530.

Neither the Architect nor the Engineer have any financial interest in the Property, the Sponsor or any other party involved in this transaction, except for their fee for services rendered in connection with this Development.

XXXIII. REPORTS TO UNIT OWNERS

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

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

(ii) prior notice of the annual Unit Owner's meeting within at least ten (10) days but not more than thirty (30) days prior to such meeting; and

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

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XXXIV. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Schedules submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at Sponsor's office for six (6) years from the date of first Closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the Closing of the first Residential Unit.

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XXXV. GENERAL

Pending Litigation

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

Prior Offerings

This property has not been the subject of any prior public offering except that this project was market tested pursuant to Cooperative Policy Statement No. 1 issued by the Attorney General's Office of the State of New York. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Residential Units being offered for sale in the Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Residential Units, prior to submission of the Plan to the Department of Law. The property forming the Condominium is vacant land and therefore, there are no residential or commercial tenants occupying the premises.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, disability, marital status, national origin or ancestry in the sale of Residential Units under this Plan.

Active Construction Site

Purchasers should be aware that they will be living in an active construction site until the entire Community is completed. During this period Residential Unit Owners in the Condominium are advised that there will be storage of construction material and equipment on the site, construction vehicular traffic throughout the Community, construction noises, dirt, debris and dust in the roadways and throughout the Community, unfinished areas of the Community and other inconveniences which are normal in a new home community under construction until the completion of the Community.

Amendment of Plan

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the

Purchase Agreement and to obtain a refund, in full, of the Deposit made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

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XXXVI. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan. Purchasers should be aware that they may be living in an active construction site after they close on their Residential Unit. During this period of construction there may be dirt and debris and construction material on site, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences which are normal in a condominium undergoing construction.

It is anticipated that construction of the Condominium will be complete by August 1, 2024, subject to circumstances beyond Sponsor's control such as weather conditions, labor strikes, material shortages, pandemic, Acts of God, and sales conditions.

ISLA BLU AT LONG BEACH LLC
Sponsor

Date of Offering Plan: , 2023
East Meadow, New York

O F F E R I N G S TA T E M E N T

100 BOARDWALK CONDOMINIUM

City of Long Beach, Nassau County, New York 11561

PART II

SCHEDULE D

PURCHASE AGREEMENT

PURCHASE AGREEMENT

Date_____

Residential Unit/Home No._____ **Model Type** _____

Post Office Address Assigned to Home (if Available)_____

Anticipated Closing Date: _____

Seller: **Isla Blu at Long Beach LLC**

Address: **300 Jericho Turnpike, Suite 100, Jericho, New York 11753**

Purchaser(s): _____

Home Address: _____

Home Telephone Number: _____

Business Telephone Number(s): _____

Email Address: _____

Social Security Number(s): _____

Purchaser's Attorney: _____

Attorney's Contact Information: _____

Phone:_____
Fax: _____
Email: _____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE** –

Residential Unit (hereinafter "Home") $_____

Builder upgrades, extra, options,
custom or special work (collectively, "Extras") $_____

TOTAL $_____

PAYABLE AS FOLLOWS:

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

Purchaser's certified or bank cashier's check (drawn on a New York Bank) payable directly to the order of Seller or Seller's designee on the Closing of Title $_____

TOTAL $_____

SCHEDULE D

Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall deliver a certified check or bank cashier's check to Seller to replace the dishonored check within seventy-two (72) hours after demand for replacement, therefore. Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the Deposit hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S CERTIFIED CHECK OR OFFICIAL BANK TELLER'S CHECK DRAWN ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF PURCHASER'S OBLIGATIONS HEREUNDER.

2) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the condominium unit(s) known as Residential Unit No. _____ (hereinafter the "Home"), with a _____ percent undivided interest in the Common Elements of the condominium (the "Common Elements") known as 100 Boardwalk Condominium (the "Condominium"), located at 100 Boardwalk, Town of Long Beach, Nassau County, New York 11561 and as described in the Declaration of Condominium, recorded or to be recorded in the Nassau County Clerk's Office, built or to be built by Seller on property comprising the Condominium Map (the "Property"), filed or to be filed in the Nassau County Clerk's Office. The Home shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the Town of Long Beach, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the Town of Long Beach.

The Home may vary from any models displayed to Purchaser, and Purchaser shall not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Home shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and window treatments, built-ins, burglar alarm systems, central vacuum systems, highhat lighting, additional fixtures and switches added for decorative purposes and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or included herein.

3) **OFFERING PLAN** - Seller has exhibited and delivered to Purchaser, and Purchaser acknowledges having received, read, and understood the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth herein. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively, the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan. Any defined term set forth in this Purchase Agreement, which is not specifically defined herein, shall have the meaning ascribed to them in the Plan. Any discrepancy between this Purchase Agreement and the Offering Plan shall be resolved in favor of the latter.

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

4) **HOMEOWNER ASSOCIATION** – Seller has informed Purchaser and Purchaser acknowledges and agrees that the purchase of the Home by Purchaser requires and includes mandatory membership of Purchaser in The Boardwalk Long Beach Homeowners Association, Inc. (the "Association"). Upon acquiring title to the Home, Purchaser acknowledges that Purchaser will thereby automatically become a Member of the Association, subject to its rules and regulations and liable for any Maintenance Chagres in connection therewith.

5) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in full force and effect and Purchaser shall have an ongoing obligation to consummate the transaction. If Purchaser does not consummate this transaction and close title to the Home because of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 24 herein.

6) **CLOSING** - The act of transferring ownership of the Home in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of this Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or advance such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice (the "Notice for Closing") delivered in accordance with Paragraph 32 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may waive the thirty (30) day notice period by execution and delivery of a waiver in the form set forth as Schedule D-3 to the Purchase Agreement in the Plan.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn the date and time for Closing on written notice to Purchaser. In such event, Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the East Meadow office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of $750.00. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned, with or without Seller's consent, at the request of Purchaser or Purchaser's attorney or Purchaser's lender (or lender's attorney), within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall pay Seller's attorney an adjournment fee in the sum of $750.00.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of this Purchase Agreement, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation (the "Notice of Cancellation") to the other no later than ten (10) days after expiration of such twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of this Purchase Agreement. Upon receipt of the Notice of Cancellation, Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XIII of the Offering Plan and Paragraph 31 of this Purchase Agreement, all payments, other than Extras which have been (i) installed by Seller, (ii) not installed but paid for by Seller or (iii) not installed but which have been ordered by Seller and for which Seller is obligated to pay, unless the Plan has been abandoned. In addition, in the event the Plan is abandoned, Purchaser shall be entitled to receive a refund of all funds paid to Seller for such Extras. Thereafter, neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or the transaction contemplated herein. In the event Seller shall be unable to convey title to the Home within twenty-four (24) months of the proposed date of delivery through no fault of Purchaser, this Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter.

7) **CLOSING COSTS** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, at closing Purchaser shall pay, or reimburse to Seller if Seller has already made payment, or pay to any lender, all applicable charges for:

(a) any lender's charges for inspections, appraisals, title examination and policy insuring the lender's interest, lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the lender or incurred

by Seller or Purchaser in connection with Purchaser's mortgage loan;
(b) any mortgage recording taxes on Purchaser's mortgage;
(c) governmental charges which may be assessed on account of any mortgage loan;
(d) mortgage insurance, if required, on Purchaser's mortgage;
(e) New York State real estate transfer tax on the deed;
(f) Mansion Tax pursuant to Section 1402-a and 1402-b of the Tax Law of the State of New York, if applicable;
(g) all recording and filing charges payable on account of the transfer of title and the recording of all documents in connection with this transaction including, without limitation, any mortgage, the deed, any power of attorney, affidavits required pursuant to Section 339-ee of the New York State Real Property Law and mortgage releases, terminations and UCC-3s;
(h) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;
(i) an initial non-reimbursable capital contribution equal to the equivalent of two (2) months' Common Charges to the Condominium and two (2) months' Maintenance Charges to the Association;
(j) a pro-rata reimbursement of the Condominium's and Association's current year's insurance premium;
(k) survey fee to Seller of $750;
(l) water tap and/or water connection fees to Seller of $750;
(m)sewer tap fee to Seller of $750;
(n) tax map verification fee of $200;
(o) any other municipal and/or utility company fees applicable to the Home;
(p) $1,750 to Seller's attorney for the preparation of the closing documents;
(q) $750 to Lender's attorney for preparation of mortgage releases, terminations and UCC-3s;
(r) $250 to Seller's title company for title closer pickup fee;
(s) $750 travel fee for Seller's attorney to travel to and from the Closing; and
(t) $750 adjournment fee in the event the Closing is adjourned within forty-eight (48) hours of the scheduled Closing Date.

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

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, Condominium Common Charges, Association Maintenance Charges, sewer use, water use, electricity, gas and any other utility costs. Purchaser shall also pay the deposits required by Purchaser's lender to establish the estimated or escrow fund for future payments of taxes, Condominium Common Charges, Association Maintenance Charges, sewer use and insurance premiums (if applicable). If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in the Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing

or (ii) Seller's adjourned Closing Date, as the case may be.

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Home for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

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

8) **APPORTIONMENT OF TAXES** – In the event that on the Date of Closing any General, County, Town, Village, School or other real estate taxes, as applicable, have not yet been apportioned despite Seller's application for same, all un-apportioned tax bill(s) due for the Unit have been or will be paid by Seller. At Closing, Purchaser shall pay to Seller Purchaser's pro-rata share of the un-apportioned taxes from the Date of Closing through the end of the applicable tax period paid by Seller. Purchaser hereby agrees that in the event that following the Date of Closing any of the applicable taxes for the Premises remain un-apportioned and Seller receives and pays such un-apportioned tax bill(s) which include the taxes applicable to the Unit, Purchaser shall reimburse Seller for Purchaser's pro-rata share of such tax bill(s) promptly following receipt of written notice from Seller, which notice shall contain proof of payment of the relevant real estate tax and a calculation of the amount due by Purchaser. This Paragraph shall survive the closing of title and delivery of the deed to the Premises.

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

10) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale Deed with Covenant against Grantor's Acts, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (g) below and any additional exceptions stated in Section XVII of the Plan, as it may be amended, which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by

Seller in proper statutory form for recording (except for payment of the New York State Transfer Tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Home, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title to the Home subject to the liens, encumbrances and other matters set forth in this Purchase Agreement as BSD Land Services LLC, 515 Rockaway Avenue, Valley Stream, New York 11581, phone (516) 837-6165, as agent for a title company authorized to do business in the State of New York is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all, however, Seller recommends that Purchaser utilize BSD Land Services LLC.

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

The sale and transfer of ownership of the Home to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Home to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing to the Homeowners Association or Condominium provided they do not prevent use of the Home and Common Elements for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Home or the Common Elements for their intended purposes.

(d) Unpaid taxes and liens provided the title insurance company shall insure against collection of same out of the Home.

(e) The filed Condominium Map and all matters reflected thereon.

(f) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

(g) The Declaration of Covenants and Restrictions and By-Laws of the Association and any amendments or supplements thereto.

(h) All exceptions listed in Section XVI of Part I of the Plan.

Purchaser shall deliver to Seller's attorney within thirty (30) days of Purchaser's attorney's receipt of a fully executed copy of this Purchase Agreement, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Home is being sold), and a copy of Purchaser's title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement.

11) **PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Home which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 10 herein, if applicable.

12) **POWER OF ATTORNEY** - At Closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth as Schedule E to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium and/or the Board of Directors of the Association relative to leasing and purchasing of units in the Condominium under certain circumstances and to foreclose upon units in the Condominium for which the payment of Common Charges and/or Maintenance Charges is delinquent, and in favor of Seller relative to amending the Condominium and/or the Association documents to the extent provided for in the Plan. Purchaser further agrees to execute and pay for any recording fees in the event the form required to be used for a Power of Attorney is revised subsequent to the date of the Closing. This Paragraph shall survive closing and delivery of the deed.

13) **ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an objection to title provided BSD Land Services LLC or another title or abstract company licensed to do business in New York selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Home upon Seller's doing whatever acts as may be reasonably required by said company and/or the depositing of money not to exceed the net Purchase Price due Seller after payment of Seller's closing expenses and mortgage release amount. Seller may pay and discharge any liens and encumbrances upon the Home, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

14) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any Extras ordered from Seller by Purchaser which are not included in the plans or standard model of the Home shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such Extras shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such Extras. Purchaser's only right, in the event of Seller's failure to perform the work required to install or actually install such Extras, is to receive a refund or credit at

Closing equal to the total payments made to Seller for such Extras. All Extras must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders Extras other than the standard Extras ordered by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 24 herein. All funds received by Seller for Extras will initially be placed in the Escrow Account (as provided in Paragraph 31 herein). Such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. As noted as a Special Risk in the Plan, in the event Purchaser is entitled to rescission, Purchaser will not receive a refund of any funds paid for Extras which have been (i) installed by Seller, (ii) not installed but paid for by Seller or (iii) not installed but which have been ordered by Seller and for which Seller is obligated to pay, unless the Plan has been abandoned. In the event the Plan is abandoned, Purchaser shall be entitled to receive a refund of all funds paid to Seller for such Extras. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. Any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller and Seller shall not be responsible or liable with respect to same.

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

16) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property present a dangerous circumstance and could incur liability to Seller. **Unless specifically agreed to by Seller in writing, Purchaser shall not visit the Home or any other portion of the Property and shall only have the right to visit the sales office. Any unauthorized visits to the Property by Purchaser are subject to a charge by Seller of $500.00 per visit, which Purchaser agrees to pay to Seller within ten (10) days of demand or billing thereof.** Purchaser hereby releases and indemnifies, defends, and holds Seller harmless from and against any and all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members, agents, licensees or invitees on the Property prior to Closing. Purchaser further agrees to execute the Express Assumption of Risk Form, in the form set forth as Schedule D-4 to the Plan, annexed hereto and made a part hereof, together with Purchaser's execution of this Purchase Agreement.

17) **PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to construct the Home or other unit(s) or facilities, including

interference with work performed on the Property by Seller's staff in connection with the construction of the Home or any other units, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the Property for work to the Home prior to Closing, unless otherwise agreed to in writing by Seller.

18) **POSSESSION OF THE HOME PRIOR TO CLOSING** - Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Home, nor have any work performed or materials supplied or installed at the Home, prior to Closing without the prior written consent of Seller.

Seller will accept no liability whatsoever for any property belonging to Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Home prior to Closing. No act of Seller, whatever its nature, shall constitute a waiver of this Paragraph.

19) **CHANGES BY SELLER -** In building the Home and performing any other work to the Home or on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color, design and location of the buildings on the Property, (c) determine landscaping, type of plans and placement of plants, and grading on site to fit into the general pattern of the Condominium; (d) determine walks and streets to conform with topographical conditions; (e) determine the location and type of the units to be constructed on the Property; (f) fix the location and setbacks of any building(s) or unit(s); (g) determine the ultimate unit type mix to be constructed on the Property; (h) determine whether existing trees, shrubs and other plant life are to be moved or removed, (i) add or remove retaining walls on the Common Elements where required by grade conditions; (j) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, mailboxes, refuse dumpsters and leaders and gutters; (k) relocate parking spaces; (l) change appliances as long as they are equal to or better than originally offered; and (m) make any other changes required by the Town of Long Beach, Nassau County or any other municipal agency.

20) **COMPLETION OF CONSTRUCTION; PURCHASER'S INSPECTION -** Purchaser shall accept title (without abatement or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Home or the building in which it is located, or (b) other units in the Condominium, or (c) the landscaped areas of the Property, or (d) parking spaces, or (e) other portions of Property have not been completed. Purchaser will inspect the Home with a representative of Seller during normal business hours approximately three (3) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Home. Purchaser agrees to accept the Pre-Title Inspection Statement wherein Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an

objection to Closing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Home and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items. In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

21) **CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or final Certificate of Occupancy for the Unit (or the Building) and, if available, a New York Board of Fire Underwriter's Certificate or equivalent for the Unit. Purchaser represents and agrees that Purchaser will not do anything within the Unit to prevent the extension or renewal of a temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy. Purchaser further acknowledges that Seller will have no liability nor responsibility to Purchaser or to make improvements to the Unit in the event Purchaser has made changes to the Unit that prevents the extension or renewal of a temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Building Department of the City of Long Beach. Purchaser shall reimburse Seller, within ten (10) days following Seller's demand therefor, for any and all costs incurred by Seller with respect to Purchaser's changes to the Unit that prevent the extension or renewal of a temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Building Department of the City of Long Beach. This Paragraph shall survive Closing and delivery of the deed.

22) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be living in an active construction site after Closing on the Home. During the period of construction, there may be dirt and debris and construction material on the Property, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences which are normal in a community undergoing construction. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance or an interference with Purchaser's quiet enjoyment of the Home after Closing. This Paragraph shall survive Closing and the delivery of the deed.

23) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in the Notice for Closing, or if Purchaser fails to observe or perform any other obligation on the part of Purchaser to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras as per the provisions of Paragraph 15 of this Purchase Agreement. Purchaser acknowledges said amount to be fair and reasonable. In addition, if a Surety Bond has

been issued to secure the Deposit, the Surety Bond will be revoked. Notwithstanding the foregoing, in the event the Plan is abandoned pursuant to its terms, Purchaser shall be entitled to the return of all monies paid toward Extras.

Prior to such funds being released to Seller and the Surety Bond being revoked the Escrow Agent shall send a notice to Purchaser of Escrow Agent's intent to release the funds being held in escrow on behalf of Purchaser and the intent to revoke the Surety Bond pursuant to the escrow regulations as described in Section XIII of the Plan and Paragraph 31 of this Purchase Agreement.

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

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter, the Home may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement at law or in equity for any default by Purchaser under this Purchase Agreement.

24) **SELLER'S RIGHT TO CANCEL** - Seller may cancel this Purchase Agreement by forwarding a full refund of the Deposit and the funds paid for Extras to Purchaser, together with written notice of cancellation, in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Home; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) zoning and/or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, which create or impose requirements upon Seller which are not presently contemplated; or

(e) the Plan is abandoned, withdrawn, or not consummated for any reason.

Upon such cancellation and refund, this Purchase Agreement shall be terminated

and neither party shall have any further rights, obligations, or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Plan.

25) **INABILITY OF SELLER TO TRANSFER OWNERSHIP** – Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of the Deposit. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement.

26) **PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the office of any county clerk or the Nassau County Clerk's Office, the Office of the Clerk of any other county by Purchaser or on behalf of Purchaser. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all rights of Purchaser shall cease and terminate and Seller shall have the right to retain, as liquidated damages, the Deposit and all amounts paid by Purchaser for Extras installed by Seller, not been installed but paid for by Seller or not installed but which have been ordered by Seller and for which Seller is obligated to pay, pursuant to the provisions of Paragraphs 15 and 24 of this Purchase Agreement.

27) **PROHIBITION AGAINST SIGNS ON HOME** - Purchaser shall not place any sign on the Home or Property until Seller has closed title to all of the units in all Phases of the Community.

28) **PROHIBITION AGAINST ADVERTISING OF HOME FOR SALE** - From and after the date hereof through closing, Purchaser shall not place an advertisement for the sale of the Home in any newspaper or other publication or media or list the Home with any real estate broker. Such action shall constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement as liquidated damages.

29) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker, Douglas Elliman, LLC d/b/a Douglas Elliman Real Estate (the "Broker"), brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any broker other than the Broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to a separate agreement between Seller and Broker. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

30) **TRUST FUNDS/ESCROW PROVISIONS -** The Deposit and all other deposits or advances made by Purchaser prior to Closing shall initially be held in a segregated escrow account pursuant to the following:

(a) The law firm of Certilman Balin Adler and Hyman, LLP with an address at 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554, telephone number (516) 296-7000, shall serve as escrow agent ("Escrow Agent") for Seller and Purchaser. The members of the firm are signatories and are all admitted to practice law in the State of New York. Neither Escrow Agent, nor its authorized signatories on the account are Seller, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(b) Escrow Agent and its authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of this Purchase Agreement or otherwise concerning the maintenance or release of the Deposit from escrow.

(c) Escrow Agent has established the Escrow Account (as hereinafter defined) at M & T Bank, with an address at 845 Franklin Avenue, Garden City, New York 11530 (the "Bank"), a bank authorized to do business in the State of New York; which account is entitled “100 Boardwalk Condominium/Certilman Balin Adler & Hyman, LLP Attorney IOLA Escrow Account” (the "Escrow Account"). The Escrow Account is an IOLA account pursuant to Judiciary Law §497. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000 will not be insured.

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

(e) Pursuant to Judiciary Law § 497, all interest earned on the IOLA account will be paid to the State of New York. No fees of any kind may be deducted from the Escrow Account, and Seller shall bear all costs associated with the maintenance of the Escrow Account.

(f) Within five (5) business days after this Purchase Agreement has been tendered to Escrow Agent along with the Deposit, Escrow Agent shall sign this Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the Deposit into the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Seller, confirming the Deposit has been deposited. The notice shall provide the account number. Any deposits made for Extras shall initially be deposited into the Escrow Account and released as long as Seller uses the funds for such work as per Paragraph 15 of this Purchase Agreement.

(g) Escrow Agent is obligated to send notice to Purchaser once the Deposit is

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

(h) At Sponsor's option and subsequent to the Deposit being placed into the Escrow Account and only upon receipt of an individual Surety Bond in the form disclosed as Schedule D-5 of the Offering Plan, the Escrow Agent shall release the Deposit received by Purchaser to Seller. In the event the Seller does not utilize a Surety Bond to secure the Purchaser's Deposit the escrow Deposit will remain in the Escrow Account pursuant to the provisions contained herein.

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

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

(k) Escrow Agent shall release the Deposit and all other deposits if so directed:

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

(ii) upon receipt of an individual Surety Bond in the form disclosed in Schedule D-5, or

(iii) in a subsequent writing signed by both Seller and Purchaser; or

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

If Escrow Agent is not directed to release the Deposit pursuant to paragraphs (i) through (iv) above, and Escrow Agent receives a request by either party to release the Deposit, then Escrow Agent must give both Purchaser and Seller prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of 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 (i) through (iv) above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Home is located and shall give written notice to both parties of such deposit. Escrow Agent shall disburse Purchaser's deposit(s) escrowed under this Purchase Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Purchase Agreement.

Seller shall not object to the release of the Deposit and other deposits, if any to:

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

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

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

(l) Seller and Escrow Agent shall abide by the terms and requirements of the Surety Bond as provided for in the Offering Plan.

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

(n) Escrow Agent shall maintain the Escrow Account under its direct

supervision and control.

(o) A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e) (2-b) and 352(h).

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

(q) No disbursement need or will be made by Escrow Agent until the deposit has actually and finally cleared Escrow Agent's account.

(r) Escrow Agent shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

(s) Escrow Agent undertakes to perform only such duties as are expressly set forth in this Purchase Agreement and the Escrow Regulations as amended on November 14, 2012, promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Purchase Agreement against Escrow Agent.

(t) Seller agrees that Seller and its agents, including any selling agents, shall deliver the Deposit and other deposits, if any, received by them prior to closing of the Home to a designated attorney who is a member of or employed by Escrow Agent, within five (5) business days of tender of the Deposit or other deposit by Purchaser.

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

(v) The following record keeping provisions shall apply:

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

(ii) If Escrow Agent's firm is dissolved, 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.

(w) Prior to release of the Deposit and other deposits, Escrow Agent's fees and disbursements shall neither be paid by Seller from the Deposit or other deposits nor deducted from the Deposit or other deposits by any financial institution under any circumstance.

(x) Seller agrees to defend, indemnify and hold Escrow Agent harmless from and against any and all costs, claims, expenses, demands, causes of action, liability, judgments and damages incurred in connection with or arising out of Escrow Agent's responsibilities in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

(y) Escrow Agent shall not be liable for Seller's failure to tender Purchasers' funds to Escrow Agent within five (5) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence.

(z) Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

(aa) The duties of Escrow Agent shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Purchase Agreement.

(bb) This Paragraph 31 shall remain in effect unless and until the following:

(i) Written notice given by Seller to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(ii) The resignation of Escrow Agent upon giving notice to Seller of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(iii) All units offered pursuant to the Plan have been sold and all sales transactions have been consummated.

(iv) Escrow Agent shall have no responsibility to verify qualifications of any successor escrow agent.

(cc) Upon termination of the duties of Escrow Agent as described in Sub-paragraph 31(bb) above, Escrow Agent shall deliver any and all funds held by it in the Escrow Account and any and all contracts or documents maintained by Escrow Agent to the new escrow agent designated in the duly filed amendment related thereto.

(dd) Upon delivery of all funds held by Escrow Agent to the new escrow agent pursuant to sub-paragraph 31(cc) above, this Paragraph 31 shall be terminated, and Escrow Agent shall be released from all liability hereunder.

(ee) Upon Escrow Agent disbursing the Deposit and any other deposit of Purchaser in accordance with the provisions of this Paragraph 31, Escrow Agent's obligations shall terminate as regards to such deposit, and Escrow Agent shall thereafter be released of all liability in connection with Purchaser.

(ff) In the event of a good faith disagreement about the interpretation of this Paragraph 31, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, retain Purchaser's deposits and payments in escrow and file an action and deposit any applicable funds in a court of competent jurisdiction to resolve said disagreement. Escrow Agent shall be indemnified by Seller for all costs, including reasonable attorneys' fees or reasonable value of services rendered by Escrow Agent's litigation attorneys representing Escrow Agent pro se, in connection with the aforesaid action. No such action shall be filed where Escrow Agent's required course of action is clearly dictated within this Paragraph 31.

(gg) Any provision of any contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the regulations of the Department of Law pertaining to escrow funds as amended on November 14, 2012, shall prevail over any conflicting or inconsistent provision in the Plan, an amendment to the Plan or in this Purchase Agreement.

(hh) This Paragraph 31 shall be construed in accordance with and governed by the laws of the State of New York.

31) **NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing

and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given

(a) upon personal delivery actually being made, and

(b) upon receipt or first refusal of delivery or when returned as undeliverable if delivered by (i) the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail, return receipt requested; or (ii) overnight courier service.

Notice given by an attorney for a party shall be deemed effective notice as if given by such party.

32) **PURCHASER GENERAL REPRESENTATIONS –** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements, written or oral, of any nature, including, but not limited to, any of the above relating to the description or physical condition of a Condominium or Association building or the Home or the Property, the size or the dimensions of the Home or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium or Association, the estimated Common and/or Maintenance Charges for the Home or any other matter or estimate not set forth herein and/or in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by Seller, Broker or any other agent of Seller. Purchaser has had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from Purchaser's obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Home so long as the layout and specifications, as they may be changed or amended, are in accordance with the provisions of the Plan. Seller cannot guarantee a firm completion and availability date for the Home and agrees that Seller shall not be obligated to make, provide, or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder. Purchaser may rely on the representations made in the Offering Plan.

33) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Plan. Purchaser acknowledges that Purchaser is buying a Home in a condominium development with a homeowners association which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declaration, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other

statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and/or this Purchase Agreement, including, but not limited to, the estimated Common and/or Maintenance Charges or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement, or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

34) **RISK OF LOSS** - The risk of loss or damage to the Home by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the Home, the building in which the Home is located or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Deposit paid by Purchaser; however, Purchaser will not receive a refund of any funds paid for Extras that have been installed by Seller, not been installed but paid for by Seller or not been installed but which have been ordered by Seller and for which Seller is obligated to pay unless the Plan is abandoned. The parties shall thereafter be released from any further liability hereunder. However, if Purchaser is or becomes the occupant of the Home prior to Closing, then as of the date of Purchaser's occupancy, Purchaser shall be responsible for all damage caused by any acts or omissions of Purchaser, Purchaser's agents, employees or invitees.

If any part of the Home is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Home to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Home, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Home, then this Purchase Agreement will terminate, and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

35) **DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

36) **STRICT COMPLIANCE; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in Nassau County and all motions in any such action shall be made in Nassau County. Purchaser agrees to pay any and all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including, without limitation, small claims court) and be unsuccessful. Purchaser waives its right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

This Paragraph shall survive Closing and delivery of the deed.

37) **LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Home, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

38) **AUTOMOBILES –** At Closing, Purchaser shall register each car Purchaser intends to park on the Property with the Board of Directors of the Association.

39) **SALE OF HOMES WITHIN TWENTY-FOUR (24) MONTHS OF CLOSING OF TITLE TO THE FIRST HOME IN THE CONDOMINIUM –** Seller does not wish to sell Homes to Purchasers who intend to purchase the Home as a short-term resale investment. If a Home is sold within twenty-four (24) months from the Closing of Title to the first Home in the Condominium, the Purchaser shall upon the sale of their Home pay Seller, at or before the resale Closing, an amount equal to twenty five (25%) percent of any profits defined as the Gross Sales Price without deductions for Closing or other transaction costs less the original purchase price however such amount shall not be greater than the net proceeds of the sale of the Home, which would be the gross sales price, less amounts owed on a mortgage and all Closing Costs. No Home may be sold for less than the current sales price offered by the Seller for the same or similar unit type per the Offering Plan, or any Amendment thereto, in effect at the time of such sale. This provision only applies to the initial Purchaser of a Home from Seller and not to subsequent re-sales and does not apply if the Home Owner or spouse dies within the twenty-four (24) month period, or if all the Homes have been sold by Seller before the expiration of the twenty-four (24) month period. In addition, it does not apply to any mortgagee who forecloses or accepts a deed in lieu of foreclosure for a default under a first mortgage.

40) **MISCELLANEOUS -**

(a) The start of any activity by Seller in connection with the Home is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing Seller, or any lender represent such parties only and not Purchaser. Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's interest.

(d) The delivery of the deed for the Home to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery of the deed.

(e) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe, or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(f) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(g) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(h) All capitalized terms shall be given the definition contained in Part I of the Plan unless otherwise indicated.

(i) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance, and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Home and/or this Purchase Agreement. The act, assent, election, or approval by one shall conclusively constitute the act, assent, election, and approval by all.

(j) The provisions of this Purchase Agreement shall bind and inure to the

benefit of Purchaser and Purchaser's heirs, legal representatives, successors and/or permitted assigns and shall bind and inure to the benefit of Seller and its successors and/or assigns. In connection therewith, Seller and its permitted assignees shall have the right on one or more occasions to assign this Purchase Agreement, without Purchaser's consent, to any entity in which Seller or its affiliates own or control or which is under common control with Seller or its affiliates, in each case, either directly or indirectly. In addition, at the direction of Seller or Seller's assignee, such Seller's assignee(s) and Purchaser shall enter into a replacement Purchase Agreement on the same terms and conditions as this Purchase Agreement.

(k) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(l) None of Seller's employees, agents or representatives is authorized to make any representations regarding economic benefits to be derived from this transaction. Purchaser is advised that economic benefits to be derived from this transaction may vary with individual circumstances and/or market conditions, and Purchaser should rely only upon Purchaser's own attorney, accountant, or other counsel if guidance in such matters is desired.

(m) Purchaser acknowledges that Seller has the right to lower and/or increase the price paid for a similar unit and/or change the terms applicable to similar units. As a result, Purchaser may pay more or less and may receive better or worse terms than another Purchaser for a similar unit.

(n) Purchaser shall execute the Tender of Escrow Form, as set forth in Schedule D-1 of the Plan upon execution of this Purchase Agreement and at closing shall execute the Release Form, as set forth in Schedule D-2 of the Plan.

(o) None of Seller's employees, agents or representatives is authorized to make any representations regarding economic benefits to be derived from this transaction. Purchaser is advised that economic benefits to be derived from this transaction may vary with individual circumstances and/or market conditions, and Purchaser should rely only upon Purchaser's own attorney, accountant, or other counsel if guidance in such matters is desired.

(p) This Purchase Agreement and any Schedules, Riders, Addenda and Amendments thereto may be executed in any number of counterparts each of which shall be deemed an original and all of which together shall be deemed to constitute one and the same agreement. Electronic (i.e., portable document format (.pdf), email and facsimile) signatures shall be deemed originals for purposes of this Purchase Agreement.

(q) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(r) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

41) **LIMITED WARRANTY - THE HOUSING MERCHANT IMPLIED WARRANTY (GENERAL BUSINESS LAW ARTICLE 36-B) DOES NOT APPLY TO THIS OFFERING AS A RESULT OF THE FACT THE STATUE APPLIES ONLY TO NEW SINGLE FAMILY HOMES OR NEW FOR SALE UNITS IN A MULTI-UNIT RESIDENTIAL STRUCTURE WHICH IS FIVE (5) STORIES OR LESS IN WHICH TITLE IS TRANSFERRED TO PURCHASERS UNDER A COOPERATIVE OR CONDOMINIUM REGIME. AS THE BUILDING CONTAINS OVER (5) CONSTRUCTION FLOORS, THE STATUTE IS NOT APPLICABLE. SPONSOR HAS THE OBLIGATION NEVERTHELESS, TO CONSTRUCT THE BUILDING IN ACCORDANCE WITH APPLICABLE LAW, CODES, REGULATIONS, FILED PLANS AND SPECIFICATIONS. AT THE CLOSING OF TITLE, SPONSOR WILL DELIVER THE CERTIFICATES AND WARRANTIES DELIVERED TO IT AND TRANSFERABLE TO PURCHASER AND IT IS FURTHER AGREED THAT TITLE WILL NOT CLOSE UNTIL A TEMPORARY CERTIFICATE OF OCCUPANCY HAS BEEN ISSUED COVERING THE UNIT OR BUILDING IN WHICH THE UNIT IS LOCATED. IN THE EVENT A TEMPORARY CERTIFICATE OF OCCUPANCY IS ISSUED, SPONSOR SHALL KEEP THE TEMPORARY CERTIFICATE OF OCCUPANCY IN FULL FORCE AND EFFECT UNTIL A PERMANENT CERTIFICATE OF OCCUPANCY IS ISSUED. SPONSOR'S LIABILITY PURSUANT TO ANY MANUFACTURERS' WARRANTIES COVERING HEATING, APPLIANCES, ELECTRICITY AND PLUMBING ARE LIMITED SOLELY TO THE EXTENT THAT SUCH WARRANTIES ARE DELIVERED TO SPONSOR, TRANSFERABLE TO THE PURCHASER OR TO THE CONDOMINIUM AND THEN ONLY AS AGAINST SUCH MANUFACTURER. SPONSOR WILL CORRECT ANY DEFECTS IN THE CONSTRUCTION OF THE UNIT OR IN THE INSTALLATION OR OPERATION OF ANY MECHANICAL EQUIPMENT THEREIN DUE TO MATERIALS OR IMPROPER WORKMANSHIP SUBSTANTIALLY AT VARIANCE WITH THE PLANS AND SPECIFICATIONS, PROVIDED ONLY THAT IT IS NOTIFIED OF SUCH DEFECTS IN WRITING BY CERTIFIED MAIL WITHIN THREE (3) MONTHS FROM THE DATE OF CLOSING OF TITLE TO THE UNIT IN WHICH THE ALLEGED DEFECT EXISTS. IF A DEFECT OCCURS IN AN ITEM WHICH IS COVERED BY THIS WARRANTY, SPONSOR OR SPONSOR'S CONTRACTORS WILL (A) REPAIR OR (B) REPLACE THE DEFECTIVE ITEM. THE CHOICE BETWEEN REPAIR OR REPLACEMENT IS SPONSOR'S.**

OTHER THAN ABOVE SPONSOR SHALL NOT BE OBLIGATED TO CORRECT OR CAUSE TO BE CORRECTED ANY LATENT OR PATENT DEFECTS IN CONSTRUCTION OF A HOME OR THE COMMON ELEMENTS, OR IN THE

INSTALLATION OR OPERATION OF ANY MECHANICAL EQUIPMENT THEREIN. HOWEVER, IN THE EVENT CORRECTION OF A DEFECT IS COVERED UNDER ANY GUARANTY OR WARRANTY GIVEN TO SPONSOR BY THE CONSTRUCTION CONSULTANT, GENERAL CONTRACTOR OR CONSTRUCTION MANAGER (COLLECTIVELY THE "GENERAL CONTRACTOR") ENGAGED BY SPONSOR TO COMPLETE CONSTRUCTION OF THE BUILDING (OR BY ANY CONTRACTOR OR SUBCONTRACTOR ENGAGED BY THE GENERAL CONTRACTOR OR SPONSOR), SPONSOR HAS THE OPTION, BUT SHALL NOT BE OBLIGATED TO, APPLY TO THE GENERAL CONTRACTOR TO CORRECT THE DEFECT. IN ORDER FOR SPONSOR TO CONSIDER BRINGING THE DEFECT TO THE ATTENTION OF THE GENERAL CONTRACTOR, SPONSOR MUST BE NOTIFIED IN WRITING: (I) BY THE HOME OWNER TO WHOM SPONSOR SOLD A HOME, WITHIN SIX (6) MONTHS FOLLOWING THE CLOSING OF THE SALE OF THE HOME TO THE HOME OWNER IF AN ALLEGED PATENT DEFECT CONCERNS THAT HOME (OR IF SPONSOR PERMITS OCCUPANCY OF THE HOME BY A PURCHASER UNDER AN INTERIM LEASE, THEN WITHIN SIX (6) MONTHS AFTER THE CLOSING OF TITLE TO THE HOME). THE SPONSOR MUST BE NOTIFIED FOR ANY LATENT DEFECTS WITHIN THE HOME, OR LATENT DEFECTS WITHIN THE COMMON ELEMENTS AFFECTING A HOME WITHIN ONE (1) YEAR FROM THE DATE OF CLOSING OF THE HOME; OR (II) BY THE BOARD OF MANAGERS, WITHIN SIX (6) MONTHS FROM THE CLOSING OF TITLE TO THE FIRST HOME, COVERING THE ENTIRE BUILDING IF AN ALLEGED PATENT DEFECT AND ONE (1) YEAR FROM THE CLOSING OF TITLE TO THE FIRST HOME FOR ALLEGED LATENT DEFECTS THAT CONCERN THE COMMON ELEMENTS. IF SPONSOR IS NOT NOTIFIED WITHIN THESE TIME PERIODS, SPONSOR SHALL NOT HAVE ANY OBLIGATION TO CONSIDER CAUSING REMEDIATION OF THE PROBLEM. IN NO EVENT, HOWEVER, SHALL SPONSOR BE OBLIGATED TO COMPEL, OR TO TAKE ACTION TO COMPEL, THE GENERAL CONTRACTOR (OR ANY CONTRACTOR OR SUBCONTRACTOR) TO PERFORM UNDER ANY GUARANTY OR WARRANTY GIVEN BY IT IN CONNECTION WITH WORK PERFORMED AT THE PROPERTY.

SPONSOR AND/OR ITS GENERAL CONTRACTOR, AND/OR THE PERTINENT CONTRACTOR OR SUBCONTRACTOR, IN ITS OR THEIR SOLE DISCRETION, SHALL SELECT THE METHOD OF CORRECTING ANY DEFECT TO BE CORRECTED HEREUNDER. ON THREE (3) DAYS' NOTICE FROM SPONSOR AND/OR ITS GENERAL CONTRACTOR, AND/OR THE PERTINENT CONTRACTOR OR SUBCONTRACTOR, THE HOME OWNER, PURCHASER OR THE BOARD OF MANAGERS, AS APPLICABLE, SHALL ALLOW SPONSOR, SPONSOR'S CONTRACTORS, AGENTS OR LICENSEES AND/OR THE MANAGING AGENT ACCESS TO THE HOME OR AREA IN QUESTION ON ANY WEEKDAY TO INSPECT AND/OR CORRECT SUCH DEFECT. CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS. SPONSOR SHALL BE DEEMED TO HAVE DISCHARGED ANY COMMITMENT IT MAY HAVE MADE OR BE DEEMED TO HAVE MADE WITH RESPECT TO CURING DEFECTS, IF (I) SPONSOR IS NOT NOTIFIED OF THE DEFECT, (II) THE HOME OWNER, PURCHASER OR BOARD, AS APPLICABLE, PREVENTS SPONSOR, SPONSOR'S CONTRACTORS,

AGENTS OR LICENSEES AND/OR MANAGING AGENT ACCESS TO THE BUILDING AND/OR THE HOME WHERE CORRECTIVE WORK HAS BEEN REQUESTED, OR (III) SPONSOR SHALL HAVE CORRECTED OR CAUSED TO BE CORRECTED THE DEFECT IN ACCORDANCE WITH THE PRACTICE OF THE INDUSTRY AS SAID PRACTICE IS DETERMINED BY SPONSOR'S GENERAL CONTRACTOR OR ARCHITECT OR ENGINEER, IN ITS SOLE DISCRETION. NOTWITHSTANDING THE FOREGOING, SPONSOR SHALL NOT BE RESPONSIBLE FOR CORRECTING OR REPAIRING ANY DEFECTS IN CONSTRUCTION OR DEFECTS IN THE INSTALLATION OR OPERATION OF ANY APPLIANCES (INCLUDING, WITHOUT LIMITATION, KITCHEN APPLIANCES AND WASHERS AND DRYERS), EQUIPMENT OR FIXTURES WITH RESPECT TO WHICH WARRANTIES OR OTHER UNDERTAKINGS (HOWEVER DENOTED) FROM MANUFACTURERS, CONTRACTORS, MATERIALMEN, OR OTHERS, ARE DELIVERED AND/OR ASSIGNED TO EITHER A HOME OWNER OR THE BOARD OF MANAGERS. ALSO, SPONSOR'S UNDERTAKING TO CORRECT DEFECTS AS DESCRIBED ABOVE, RUNS ONLY TO HOME OWNERS WHO HAVE PURCHASED A HOME FROM SPONSOR. IT DOES NOT RUN TO OWNERS WHO PURCHASED HOMES ON RESALE BY OTHER HOME OWNERS.

IN ADDITION TO THE ABOVE, IN NO EVENT SHALL SPONSOR BE RESPONSIBLE FOR ANY CONDITION RESULTING FROM NORMAL WEAR AND TEAR OR WITHIN NORMAL CONSTRUCTION TOLERANCES OR NATURAL DETERIORATION OF FROM THE NORMAL SHIFTING OR SETTLING OF THE BUILDING, OR FOR ANY DEFECTS OF INSUBSTANTIAL NATURE, INCLUDING BUT NOT LIMITED TO PARTIAL OR TOTAL DEATH OF ANY LANDSCAPE IMPROVEMENTS, NAIL POPS, RIDGING ON SHEET ROCK WALLS, LUMBER SHRINKAGE, DOOR STICKING DUE TO WEATHER, DOOR WARPAGE, TILE, MARBLE AND GRANITE GROUTING, SEPARATION IN JOINTS OF TILE, MARBLE, GRANITE OR WOOD FLOORING, FLOOR LEVELS, CEILING IMPERFECTIONS, PAINTING DEFECTS, ALIGNMENT OF BATHROOM FINISHES, AIR FILTRATION FROM WINDOWS, AND CONSEQUENTIAL DAMAGE RESULTING FROM SETTLEMENT OR NORMAL PLUMBING, HEATING AND AIR CONDITIONING, NOISES, OR CARPET DISCOLORATION AND STRETCHING.

UNLESS CAUSED BY A CODE VIOLATION, SPONSOR DISCLAIMS ANY WARRANTY WITH RESPECT TO MOLD, MILDEW, SPORES, FUNGI OR OTHER TOXINS WITHIN THE BUILDING, INCLUDING WITHOUT LIMITATION, THE COMMON ELEMENTS, THE LIMITED COMMON ELEMENTS OR ANY UNIT OF THE CONDOMINIUM. THERE IS NO WARRANTY AS TO VIEW OR LIGHT QUALITY. THE SPONSOR'S OBLIGATION IS TO CONSTRUCT THE PREMISES IN ACCORDANCE WITH ALL APPLICABLE CODES AND FILED PLANS AND SPECIFICATIONS SHALL BE RESOLVED IN FAVOR OF THE LATTER. SPONSOR HAS NOT GIVEN AND THE BOARD HAS NOT RELIED ON OR BARGAINED FOR ANY SUCH WARRANTIES. IN NO EVENT SHALL SPONSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, WARRANTY, OR OTHERWISE).

NOTHING CONTAINED HEREIN SHALL OBLIGATE SPONSOR TO PAY OR BE LIABLE FOR ANY HOUSING, HOTEL, RELOCATION, OR STORAGE COSTS OR EXPENSES DURING ANY PERIOD OF TIME REQUIRED FOR SPONSOR OR THE GENERAL CONTRACTOR TO FULFILL ANY OBLIGATION UNDER THE PLAN OR UNDER ANY GUARANTY OR WARRANTY GIVEN TO SPONSOR BY THE GENERAL CONTRACTOR TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN, (A) IN THE EVENT THAT SPONSOR, AS A GESTURE OF GOOD WILL, OFFERS TO PERFORM CORRECTIVE WORK THAT SPONSOR IS NOT OTHERWISE OBLIGED TO PERFORM UNDER THE PLAN ("GOOD WILL WORK"), SAID OFFER OR PERFORMANCE OF SUCH GOOD WILL WORK SHALL NOT BE DEEMED TO BE OR CONSTITUTE A WAIVER OF SPONSOR'S RIGHTS AS SET FORTH HEREIN ABOVE, AND (B) PRIOR TO PERFORMING SAID GOOD WILL WORK, SPONSOR SHALL BE ENTITLED TO A WRITTEN ACKNOWLEDGEMENT FROM THE PURCHASER OR BOARD, FOR WHOM THE GOOD WILL WORK IS TO BE PERFORMED, (i) SPECIFYING THE SCOPE OF THE GOOD WILL WORK, (ii) ACKNOWLEDGING THAT THE PLAN DOES NOT OBLIGE SPONSOR TO PERFORM SAID WORK, AND (iii) THAT THE PURCHASER OR BOARD DISCLAIMS ANY RIGHT OR ENTITLEMENT TO THE PERFORMANCE OF SAID WORK.
PURCHASER SHOULD NOTE THAT:

A. NO STEPS TAKEN BY SPONSOR OR SPONSOR'S CONTRACTORS TO CORRECT A DEFECT SHALL ACT TO EXTEND THE WARRANTY PERIOD.

B. SPONSOR ACCEPTS NO RESPONSIBILITY FOR ANY WARRANTY OBLIGATION FOR INCIDENTAL OR CONSEQUENTIAL DAMAGE CAUSED BY ANY DEFECT.

C. THESE WARRANTIES GIVE YOU, AS PURCHASER, SPECIFIED LEGAL RIGHTS. YOU MAY HAVE OTHER RIGHTS UNDER STATE LAW.

D. THESE WARRANTIES ARE EXTENDED TO YOU, AS PURCHASER, AND ARE NOT EXTENDED TO ANY SUBSEQUENT PURCHASER, TENANT, OR MORTGAGE LENDER WHO TAKES POSSESSION OF THE UNIT.

E. THESE WARRANTIES SHALL BE VOID IF PURCHASER, TENANT OR OCCUPANT, MISUSES, ABUSES OR OTHERWISE INTERFERES WITH OR CHANGES SPONSOR'S ORIGINAL CONSTRUCTION OR INSTALLATIONS, OR IF PURCHASER, TENANT OR OCCUPANT

HIRES ANY OUTSIDE CONTRACTOR TO DO ANY WORK DURING THE WARRANTY PERIOD.

F. SPONSOR IS NOT RESPONSIBLE FOR ANY WORK OR MATERIAL ORDERED DIRECTLY BY PURCHASER FROM SPONSOR'S CONTRACTORS OR SUPPLIERS, OR OTHER OUTSIDE SUPPLIERS AND CONTRACTORS.

G. IN NO EVENT WILL SPONSOR BE RESPONSIBLE FOR ANY CONDITION RESULTING FROM (i) NORMAL WEAR AND TEAR OR NATURAL DETERIORATION OR FROM THE NORMAL MOVEMENT, SETTLEMENT AND/OR SHRINKAGE OF THE BUILDING AND/OR BUILDING MATERIALS; (ii) DEFECTS OF AN INSUBSTANTIAL NATURE, SUCH AS, WITHOUT LIMITATION, PARTIAL OR TOTAL LOSS OF ANY TREES, SHRUBS, BUSHES OR OTHER LANDSCAPE IMPROVEMENTS THAT MAY ABUT THE BUILDING, NAIL POPS, PROTRUDING DRY WALL FASTENINGS, RIDGING ON GYPSUM BOARD, LUMBER SHRINKAGE, DOOR OR WINDOW STICKING, DOOR WARPAGE INCLUDING, WITHOUT LIMITATION, WARPAGE OF THE MAIN ENTRANCE DOOR WITHIN REASONABLE TOLERANCES OF DOORS OF SIMILAR SIZE AND WEIGHT, SCRATCHES IN PLASTIC LAMINATE, VITREOUS CHINA, NATURAL STONE, WOOD, STAINLESS STEEL OR PORCELAIN SURFACES; BATHROOM FINISH GROUTING; ADJUSTMENT OF DOORS; WALLS NOT SQUARE; ELECTRICAL PLATES NOT STRAIGHT; DISCOLORATION OR SHRINKAGE; SLIGHT SEPARATION BETWEEN BASE AND FLOORS; (iii) NORMAL SETTLEMENT AND DEFLECTION OR ANY CONSEQUENTIAL DAMAGE RESULTING THEREFROM INCLUDING, WITHOUT LIMITATION, CRACKS IN ROOF BALLAST, OR CONCRETE CRACKS WHICH DO NOT REDUCE THE STRUCTURAL INTEGRITY OF THE BUILDING (iv) DEVIATIONS IN THE LEVEL OF CEILINGS, AND IMPERFECTIONS IN CEILING FINISHES; (v) IMPERFECTIONS IN PAINTING FINISHES; (vi) DEVIATIONS IN THE LEVEL OF A FLOOR OR FAILURE OF FINISHED FLOORS AND WALLS TO BE STRAIGHT OR ON PLANE OR AT LESS THAN 90° FROM EACH OTHER; (vii) ALIGNMENT OF BATHROOM FINISHES AND VARIATION IN GROUTING THICKNESS; (viii) AIR INFILTRATION AND WATER INFILTRATION FROM WINDOWS IN ACCORDANCE WITH CUSTOMARY PRACTICE AND PROFESSIONAL STANDARDS; (ix) NOISE FROM NORMAL PLUMBING AND HVAC SYSTEM; (x) NORMAL FLOOR NOISES AND CREAKING; (xi) CARPET OR FLOOR DISCOLORING OR STRETCHING; (xii) SCRATCHES AND IMPERFECTIONS OR VARIATIONS IN WIDTH, LENGTH, THICKNESS, FINISH OR COLOR RANGE OF WOOD FLOOR STRIPS OR OTHER FLOORING OR FLOOR FINISHES, ALSO, NORMAL SHRINKAGE OR EXPANSION OF WOOD FLOORING DUE TO CHANGES IN MOISTURE

CONTENT OF WOOD; (xiii) THE SPONSOR CANNOT, AND WILL NOT BE RESPONSIBLE FOR ANY AND ALL INDOOR CLIMATIC CHANGE SUCH AS ELEVATED AND LOWER HUMIDITY LEVELS, TEMPERATURE SWINGS, SUN LIGHT THAT CAN AFFECT HARDWOOD FLOORING, CABINETRY, DRYWALL AND ANY PRODUCTS/SURFACES WITHIN THE BUILDING OR INDIVIDUAL DWELLINGS THAT ARE NOT MAINTAINED THROUGH MECHANICAL DEVICES SUCH AS THERMOSTATS AS RECOMMENDED BY THE MANUFACTURERS OF THE PRODUCTS INSTALLED WHICH IS THE RESPONSIBILITY OF THE HOME OWNER. ONLY APPROVED CLEANING PRODUCTS ARE APPROPRIATE FOR USE ON FLOOR PRODUCTS. USE OF NON-APPROVED FLOORING APPROVED CLEANING AND MAINTENANCE PRODUCTS, INCLUDING OIL SOAP OR AMMONIA-BASED PRODUCTS, WILL VOID ALL WARRANTIES; (xiv) COLOR CHANGES TO ANY FLOORING WHICH RESULTS FROM EXPOSURE TO UV LIGHT ARE NOT COVERED BY ANY LIMITED WARRANTIES. NORMAL EXPOSURE TO SUNLIGHT WILL CAUSE CHANGES IN THE SHADING OF ANY WOOD FLOOR AND THIS IS NOT CONSIDERED A DEFECT. AREA RUGS SHOULD BE MOVED OCCASIONALLY, AS THEY BLOCK SUNLIGHT AND MAY GIVE THE APPEARANCE OF DISCOLORATION UNDER THE RUG. AFTER YOUR FLOOR IS INSTALLED, IT IS CRITICAL TO MAINTAIN THE TEMPERATURE AND HUMIDITY OF THE HOME WITHIN THE RANGES SET FORTH IN THE APPLICABLE INSTALLATION INSTRUCTIONS FOR THE PRODUCT. FAILURE TO FOLLOW THESE GUIDELINES, ESPECIALLY WITH REGARD TO HUMIDITY RANGE, CAN RESULT IN A PERFORMANCE FAILURE OR DAMAGE TO THE FLOOR. IN ADDITION, IT IS IMPORTANT TO MAINTAIN ALL FLOORS IN ACCORDANCE WITH THE FLOORING MAINTENANCE INSTRUCTIONS; (xv) DAMAGE OR UNSATISFACTORY PERFORMANCE CAUSED BY EXCESSIVE MOISTURE OR MOISTURE VAPOR INCLUDING, BUT NOT LIMITED TO, IMPROPER HUMIDITY INSIDE THE HOME, EXCESSIVE GROUND MOISTURE THAT MIGRATES INTO THE HOME FOR ANY REASON, EXCESSIVE SUB-FLOOR MOISTURE, WATER LEAKS CAUSED BY BROKEN PIPES OR APPLIANCES, IMPROPER CLEANING METHODS SUCH AS WET MOPPING OR AUTOMATED CLEANING MACHINES, WEATHER CONDITIONS OR NATURAL DISASTERS SUCH AS FLOODING OR EXCESSIVE RAINFALL ARE NOT COVERED BY THE LIMITED WARRANTY; (xvi) WOOD IS A NATURAL PRODUCT, IT WILL TEND TO EXPAND AND CONTRACT AS MOISTURE AND HUMIDITY LEVELS INSIDE THE HOME MAY CHANGE. ACCORDINGLY, NORMAL EXPANSION AND CONTRACTION WHICH RESULTS IN MINOR SEPARATIONS BETWEEN FLOORING BOARDS ARE NOT COVERED BY THESE WARRANTIES; (xvii) REPAIR OF CHIPS, SCRATCHES, MARS, BREAKS, DENTS, CRACKS OR OTHER

DEFECTS IN: EXTERIOR STONE; WINDOWS, WINDOW GLASS, WINDOW SASHES, FRAMES AND HARDWARE; INSULATION ATTACHED TO THE CURTAIN WALL; SLIDING GLASS DOORS, FRAMES, DOOR GLASS AND HARDWARE; LOUVERS; SHOWER DOORS; LIGHTING FIXTURES, LENSES, BAFFLES AND GLOBES; ALL PAINTED SURFACES; ALL SINKS, TUBS, BASINS, BOWLS, WATER CLOSETS; KITCHEN CABINETS, BACK SPLASHES AND COUNTERTOPS; VANITY TOPS AND CABINETS; ALL TILE OR NATURAL STONE FLOORS AND WALLS; SADDLES; ALL APPLIANCES; WOODWORK, MILLWORK AND DOORS; MIRRORS AND AFTER THE HOME CLOSING, PAINT TOUCH-UPS, REPAIR OF DENTED APPLIANCES, OR REPLACEMENT OF LIGHT BULBS; (xviii) CRACKS OR VARIATIONS IN TONE OR COLOR OF NATURAL STONE OR VARIATIONS IN TONE OR COLOR OF VANITY TOPS OR VARIATIONS IN VEINING OF ANY NATURAL STONE SURFACES; (xix) LEACHING OR COLOR VARIATION IN COLOR MORTAR AND COLORED BRICK, AND DIMENSIONAL VARIATIONS IN BRICK JOINTS, AND MORTAR DROPPINGS ON BRICKS; (xx) PONDING AND/OR CONTROLLED DRAINAGE ON THE ROOF SURFACE; (xxi) CRACKS IN PRESSURE-TREATED LUMBER USED OR INTENDED FOR USE OUTSIDE THE BUILDING; (xxii) CRACKS OR DISCOLORATION IN CONCRETE AND/OR PAVING; (xxiii) DISCOLORATION TO HARDWARE AND PLUMBING FINISHES; (xxiv) STAINS, RUNS, LUMPS, SHAGS OR IMPERFECTIONS IN WEAVE IN FABRIC PANELS; (xxv) SCRATCHED, DIRTY OR CRACKED LENSES IN LIGHT FIXTURES; OR (xxvi) TERRACE OR BALCONY TILES NOT LAID FLAT, OR COLOR VARIATION IN TILES OR MORTAR, OR STAINED TILES; (xxvii) SUBSEQUENT TO THE HOME CLOSING, PAINT TOUCH-UPS, REPAIRS OF DENTED APPLIANCES OR REPLACEMENT OF FLUORESCENT LIGHT BALLASTS, OR (xxviii) SALTING OR COLOR VARIATION IN EXTERIOR COLORED MORTAR AND DEEP COLORED BRICK; (xxix) REMOVE MOLD FROM THE BUILDING OR ANY HOME THEREIN, OR (xxx) OR NORMAL WATER PENETRATION IN FRAMELESS SHOWER DOORS. SPONSOR WILL BE OBLIGATED TO REPAIR ONLY ABNORMALLY CHIPPED STONE, FORMICA AND PORCELAIN SURFACES, WHICH REPAIR WILL BE MADE BY FILLING THE STONE OR FORMICA OR REFINISHING THE PORCELAIN, BUT SPONSOR WILL NOT BE OBLIGATED TO REPLACE SUCH STONE, FORMICA OR PORCELAIN SURFACES. THE ITEMS AND CONDITIONS DESCRIBED IN THIS SECTION ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A HOME IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO

CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD OF MANAGERS OF THE CONDOMINIUM. IF PURCHASER OR THE BOARD OF MANAGERS OF THE CONDOMINIUM DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

H. PURCHASER FURTHER ACKNOWLEDGES THAT SPONSOR HAS NO OBLIGATION TO MAKE ANY REPAIR TO THE COMMON ELEMENTS EXCEPT AS EXPRESSLY SET FORTH IN THE OFFERING PLAN AND UNDER ALL APPLICABLE LAWS.

I. THESE WARRANTIES ARE SPECIFICALLY IN LIEU OF ANY OTHER GUARANTEE OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, HABITABILITY OR WORKMANLIKE CONSTRUCTION WHICH ARE HEREBY WAIVED. DESPITE THE FACT THAT THE SPONSOR IS DISCLAIMING THE AFOREMENTIONED WARRANTIES REFERENCED IN THIS PARAGRAPH, THE SPONSOR'S OBLIGATION, REGARDLESS OF ANY LIMITATIONS IN THE WARRANTY OR IN THE OFFERING PLAN, IS TO CONSTRUCT THE PREMISES IN ACCORDANCE WITH ALL APPLICABLE CODES AND FILED PLANS AND SPECIFICATIONS, AND THAT ANY CONFLICT BETWEEN THE DISCLAIMERS AND THE SPONSOR'S OBLIGATION TO CONSTRUCT THE PREMISES IN ACCORDANCE WITH ALL APPLICABLE CODES AND FILED PLANS AND SPECIFICATIONS SHALL BE RESOLVED IN FAVOR OF THE LATTER.

J. ANY DISPUTE REGARDING THE LIMITED WARRANTIES CONTAINED IN THIS SECTION 53 OF THE PURCHASE AGREEMENT SHALL BE RESOLVED BY ARBITRATION IN ACCORDANCE WITH ARTICLE XIII OF THE BY-LAWS.

A COPY OF THE NOTICE OF WARRANTY CLAIM FORM IS CONTAINED IN THE OFFERING PLAN AS EXHIBIT D-6. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OF TITLE AND DELIVERY OF THE DEED.

42) **NOTICES TO PURCHASER - YOU, AS PURCHASER OF THE UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

WHEN SIGNED BY SELLER AND PURCHASER, THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD READ AND UNDERSTAND ALL PROVISIONS BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.

PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

PURCHASERS: **ISLA BLU AT LONG BEACH LLC**

_____ By:_____

Signature , Member

_____

Signature

Agreed to as to Paragraph 31 by Escrow Agent:

CERTILMAN BALIN ADLER & HYMAN, LLP

By: _____

, Partner

SCHEDULE D-1

TENDER OF ESCROW DEPOSIT FORM

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Residential Unit _____ at 100 Boardwalk Condominium located at 100 Boardwalk, Long Beach, New York 11561.

Purchaser(s) named below has/have tendered on_____, 20__, the above escrow deposit to Sponsor/Selling Agent as a deposit for the above Residential Unit.

Purchaser(s) _____
_____

Address of Purchaser(s) _____
_____

Phone number of Purchaser(s):

Home: _____
Business: _____

Social Security Number(s) or
Tax Identification Number(s)
of Purchaser(s) _____
_____

By: _____
Purchaser

By: _____
Purchaser

RECEIPT

The SPONSOR/SELLING AGENT of the above-named property hereby acknowledges receipt of the above escrow deposit.

By: _____
_____
Title or Position

Date of Receipt: _____

SCHEDULE D-2

FORM TO RELEASE ESCROW FUNDS

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Certilman Balin Adler and Hyman, LLP
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

Re: 100 Boardwalk Condominium
Purchaser:
Residential Unit No.:

Dear Certilman Balin Adler and Hyman, LLP:

You have been holding in a trust account my/our down payment for the captioned Residential Unit in the amount of $_____. I/we acknowledge that a closing has taken place this date. Accordingly, Certilman Balin Adler and Hyman, LLP is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Certilman Balin Adler and Hyman, LLP, as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said down payment.

Very truly yours,

_____
Purchaser

_____
Purchaser

_____
Sponsor's Representative

SCHEDULE D-3

WAIVER OF NOTICE OF CLOSING

WAIVER OF NOTICE OF CLOSING

STATE OF NEW YORK)
: ss.:
COUNTY OF)

_____, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Residential Unit _____at 100 Boardwalk Condominium.

2. Pursuant to a Purchase Agreement dated _____ , 20____ , I am entitled to thirty (30) days' written notice of the Closing for my Residential Unit.

3. I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on _____, 20__ .

_____
Purchaser

_____
Purchaser

Sworn to before me this __
day of _____ 20__ .

_____
Notary Public

SCHEDULE D-4

EXPRESS ASSUMPTION OF RISK

EXPRESS ASSUMPTION OF RISK

I/We _____ understand that by entering onto a construction site, there are extraordinary risks of grave bodily injury and/or death. In consideration for being allowed to enter upon the premises herein, I expressly assume all risks associated with the construction site, including but not limited to:

1. Falling debris;
2. Falls associated with excavations, uncleared ice and/or snow incomplete sidewalks and roads and downed trees and/or bushes;
3. Injuries associated with incomplete construction;
4. Injuries associated with operating machinery;
5. Injuries associated with incomplete or no railings; and
6. Injuries associated with incomplete and/or insufficient lighting.

I/We, , shall wear safety hard hats (as provided by B2K Development) along with closed-toe shoes, and shall remain supervised at all times while on the construction site. I/We further agree to fully indemnify and hold harmless Isla Blu at Long Beach LLC and EB Construction III LLC, their respective members, officers, directors, principals, shareholders, agents, employees, successors, and assigns for any and all personal injuries sustained by me/us or damages to any personal property during the construction walkthrough.

_____

SCHEDULE D-5

SURETY BOND

BOND TO SECURE DOWN PAYMENT

KNOW ALL MEN BY THESE PRESENTS, that we (INSERT NAME OF SPONSOR) as Principal, having an office at _____ _____, New York _____, and _____, having an office at _____, a corporation organized under the laws of the State of _____ authorized to do business in the State of New York, as Surety, are held and firmly bound unto _____ residing at _____ as Obligee, in the penal sum of _____ Dollars ($ .00), (the amount of the contract payment without interest), for the payment of which sum well and truly to be made we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal is offering for sale units at premises located at 100 Boardwalk, Long Beach, New York 11561, pursuant to the Offering Plan for the development known as 100 Boardwalk Condominium, as the same has been and may hereafter be amended from time to time: and

WHEREAS, Principal and Obligee have entered into a Purchase Agreement, dated _____ for Unit No. _____ at _____.

NOW, THEREFORE, the condition of this obligation is such, that if Principal shall well and truly perform or cause to be performed its obligations as set forth in said Purchase Agreement to sell and deliver title to said unit to Obligee or return the monies

paid or advanced by Obligee in accordance with the terms and conditions therein contained or until the funds secured by the surety bond have been placed in the escrow account pursuant to the provisions of the Escrow Regulations contained in Part 20.3 (o) (4) and (5) promulgated by the Department of Law of the State of New York pursuant to Sections 352-e (2-b) and 352-h of the General Business Law of the State of New York or until there is an undisputed purchaser default or order or judgment of a court of competent jurisdiction that the purchaser has defaulted and that the sponsor is entitled to the secured funds, then this obligation shall be void; otherwise, it shall remain in full force and effect.

The aggregate liability arising under or otherwise pursuant to this bond shall not exceed the penal sum above stated.

Any claim under this bond for breach of any of the terms of the Purchase Agreement referred to above must be filed with Surety and Principal within six (6) months of said breach.

The Surety shall abide by directives in conformity with the provisions of the Escrow Regulations contained in Part 20.3 (o) (4) and (5) promulgated by the Department of Law pursuant to Sections 352-e (2-b) of the General Business Law of the State of New York.

No party other than Obligee shall have any rights under this bond as against Principal or Surety.

Sealed with our seals and dated this _____ day of _____, 20____.

By:_____ By:_____
, Attorney-in-Fact

SCHEDULE D-6

NOTICE OF WARRANTY CLAIM FORM

INSTRUCTIONS TO COMPLETE
NOTICE OF WARRANTY CLAIM FORM

To ask the Seller, to correct a defect in your Home that you think is covered by the Seller's Limited Warranty, you must complete this form and deliver it to the Seller. This is necessary to protect your rights to warranty performance under the Limited Warranty.

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem. If you do not know the answers to any questions, write "Don't know." **Please do not leave any items blank.**

NOTICE OF WARRANTY CLAIM FORM

I (We) (_____)
insert your name(s)

am the owner of Home #_____ located at _____.

My mailing address and office and home telephone numbers are as follows:

Mailing Address:_____

_____

Home Telephone No:_____

Office Telephone No:_____

I first occupied the Home as my residence on_____

I closed title to the Home on _____

Set forth below are defects in my Home and the approximate date the defects occurred, or I became aware of them:

NATURE OF DEFECTS	DATE OCCURRED OR FIRST OBSERVED

_____ _____
(Signature) (Date)

_____ _____
(Signature) (Date)

This completed and signed form must be sent to Seller at its address listed on the first page of the Purchase Agreement by certified or express mail, return receipt requested.

SCHEDULE E

POWER OF ATTORNEY

POWER OF ATTORNEY

I (We) residing at _____ the owner of Condominium Residential Unit No. _____ in the Condominium known as 100 Boardwalk Condominium covering the property located in Long Beach, New York, do hereby nominate, constitute and appoint the Managers of the Board of Managers of Isla Blu at Long Beach LLC, located at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753, and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Residential Units in said property, any Condominium Residential Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Residential Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, constitute and appoint the Directors of the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc., as agent for the Board of Managers of 100 Boardwalk Condominium, and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf the right to act in my behalf to take any and all action necessary regarding any tenant(s), that may be residing in my condominium Residential Unit including, but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration, By-Laws and Rules and Regulations of 100 Boardwalk Condominium.

I (We) do further hereby nominate, constitute and appoint the Directors of the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc., as agent for the Board of Managers of 100 Boardwalk Condominium, and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf the right to act in my behalf to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Property Law, and to retain counsel on my (our) behalf and charge me a pro rata share of expenses, disbursements and legal fees associated therewith, the payment for which would be secured by a lien on my Unit.

I (We) do hereby further irrevocably nominate, constitute and appoint Isla Blu at Long Beach LLC and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners' meeting for, and to file an amendment to the Declaration of 100 Boardwalk Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, and to amend any Filed Map or amending

such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section 3 of the Declaration of Condominium of 100 Boardwalk Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this _____ day of _____, 20_____ .

_____

_____

STATE OF NEW YORK)
: ss.:
COUNTY OF)

On the _____day of _____ in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared _____ _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE F

FORM OF DEED

DEED

THIS INDENTURE made the ___ day of _____, 20__ between ISLA BLU AT LONG BEACH LLC, a Delaware limited liability company having a place of business at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753, Party of the First Part, and

Party of the Second Part;

W I T N E S S E T H:

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second Part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a part of a condominium in Long Beach, Nassau County and State of New York, known and designated as Residential Unit No. _____ together with a _____ percent undivided interest in the Common Elements of the Condominium hereinafter described as the same is defined in the Declaration of Condominium hereinafter referred to.

The real property above described is a unit shown on the plans of a condominium prepared and certified by _____ and filed in the Office of the Clerk of Nassau County on the _____ day of _____ , 20__ , as Map No. _____ _____ defined in the Declaration of Condominium entitled 100 Boardwalk Condominium made by Isla Blu at Long Beach LLC, under Article 9-B of the New York Real Property Law dated _____ , 20__ and recorded in the Office of the Clerk of Nassau County on the _____ day of _____, 20____ in Liber _____ of Conveyances at page _____covering the property therein described. The land area of the property is described as follows:

(PROPERTY DESCRIPTION)

TOGETHER with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, regulations, and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO: The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium and the Declaration of Covenants, Restrictions, Easements, Charges and Liens and By-Laws of The Boardwalk Long Beach Homeowners Association, Inc. as the same may be amended from time to time by instruments recorded or filed in the Office of the Clerk of Nassau County and all Covenants and Restrictions of record, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Party, the heirs or successors and assigns of the Party of the Second Part forever.

AND the Party of the First Part covenants that the Party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Residential Unit is intended is that of a one family residence, subject to the applicable governmental regulations, zoning requirements of the City of Long Beach.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word “Party” shall be construed as if it read “Parties” whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Party of the First Party has duly executed this deed and the Party of the Second Part has duly assumed the mortgage therein referred to, the day and year first above written.

_____

By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On this _____ day of _____ in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the person or the entity upon behalf of which the person(s) acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE G

DESCRIPTION OF PROPERTY (ARCHITECT/ENGINEER)

100 Boardwalk Condominium

100 Boardwalk,
Long Beach, New York

Description of Property and Specifications

Date: 07.17.2023

Prepared by: Minno & Wasko Architects and Planners
80 Lambert Lane – Suit 105,
Lambertville, NJ 08530

PART 20
Exhibit "A"

PROPERTY ADDRESS:	100 Boardwalk, Long Beach, NY 11561
ARCHITECT:	Minno & Wasko Architects and Planners 80 Lambert Lane – Suite 105, Lambertville, NJ 08530
OWNER:	Isla Blu at Long Beach LLC. 300 Jericho Turnpike, Jericho, NY 11753
STRUCTURAL ENGINEER:	Mulhern+Kulp Residential Structural Engineering 300 Brookside Avenue, Building 4, Ambler, PA 19002
GEOTECHNICAL ENGINEER:	Langan 21 Penn Plaza, 360 West 31st Street, 8th Floor New York, NY 10001
MEP ENGINEERS:	Khachaturian Engineering Associates, Inc 186 Wood Ave South, First Floor, Iselin, NJ, 08830
EXTERIOR ENVELOPE:	RWDI 1608 Walnut Street, Suite 1200, Philadelphia, PA 19103

DESCRIPTION OF PROPERTY AND BUILDING CONDITIONS

A. Location and Use of Property
B. Status of Construction
C. Site
D. Utilities
E. Sub-Soil Conditions
G. Building Size
H. Structural System
I. Auxiliary Facilities
J. Plumbing and Drainage
K. Heating
L. Gas Supply
M. Air Conditioning
N. Ventilation
O. Electrical System
P. Intercommunication
Q. Public Area Lighting
U. Permits and Certificates
V. Violations
W. Unit Information and Measurement
X. Finish Schedule
Y. Safety and Warning Devices
Z. Additional Information Required
FF. Transfer Documents

20.7(a)

A. *Location and use of property*.

(1) Property Addresses:
Residential: 100 Boardwalk, Long Beach, NY 11561

(2) NCTM# Section 59. Block 116, Lot 39

(3) Zone: RESIDENCE - BUSINESS A DISTRICT
Zoning Map: Exhibit 12, City of Long Beach Official Zoning Map, 8/21/87

1) The Condominium and Association shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development which Drainage Easement and Maintenance Agreement provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Condominium parcel and reciprocal easement over the Breeze Parcel in favor of the owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the 100-140 Boardwalk Parcel and Breeze Parcel. The Association, on behalf of any Condominiums subject to the Declaration of Covenants and Restrictions, shall be responsible for the of installation, maintenance, and repair of the portion(s) of the drainage system(s) located within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the Drainage Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). A copy of the Drainage Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule M.

2) The Condominium and the Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Sponsor and the owner of the Breeze Parcel adjacent to the Development which Access Easement and Maintenance Agreement provides for an easement in favor of the Sponsor, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel, which common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the Association, on behalf of any Condominium subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions. In the event the Association does not fulfill its obligations with respect to the

Access Easement and Maintenance Agreement, the Condominium(s) then subject to the Declaration of Covenants and Restrictions, shall jointly and severally be responsible for all obligations associated therewith as Common Expenses of their respective Condominium(s). See Section XXVII of the Offering Plan. A copy of the Access Easement and Maintenance Agreement is set forth in Part II of the Offering Plan as Schedule N.

3) There shall be a perpetual and unobstructed, non-exclusive, non-vehicular easement over and across the stairs and ramps located on the southern portion of the Property, which portion of the Property is adjacent to the City of Long Beach Boardwalk, for the purpose of perpetual and unobstructed public pedestrian and non-motorized bicycle use throughout the easement area for access to the Non-Residential Units located in 140 Boardwalk Condominium. The maintenance of the improvements in the easements shall be the responsibility of the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations. The maintenance obligation herein shall also include repair and replacement of the improvements and amenities within the easement area, including landscaping. Notwithstanding the grant of the aforesaid easement, there shall be no public access to the Outdoor Amenities or any other portion of the Condominium or Association Property except as expressly described in the Declaration of Condominium or Declaration of Covenants and Restrictions.

(4) Permissible uses:
(1) A one-family detached house for one dwelling unit only.
(2) A two-family detached house for two (2) dwelling units only.
(3) A multiple dwelling for three (3) or more dwelling units.
(4) Public park, playground and municipal recreational area when authorized or operated by a municipality, public library or museum.
(5) Church or other place of worship, convent, parish house.
(6) Other accessory uses and buildings including a private garage, not over twelve (12) feet high, used for storage of passenger vehicles provided such uses are incidental to the principal use, but such uses shall not include any activity conducted as a business.
(7) Retail and commercial services serving the residents of the immediate neighborhood. Such uses as specified below shall not exceed three thousand (3,000) square feet in total floor area. They shall include:
Grocery and other food stores;
Men's and women's clothing;
Books and records;
Arts and crafts;
Drug stores;
Gifts;
Florists;
Laundry and dry cleaning pick-up;
Barber and beauty shops;
Branch post office;
Travel agents;
Bank branch;

Such retail and sales and services shall, whenever possible, be located within a residential building or complex, or a hotel.

(8) Restaurants.

(9) Commercial activities serving tourists and visitors shall include the following:

Small restaurants, soda fountains, ice cream stores, and the like;
Souvenir and gift shops;
Arts and crafts.

(10) Hotels, on a lot containing not less than five hundred (500) square feet of ground area for each guest room or suite in the hotel.

(11) Bowling alleys, health studios, and similar commercial recreational and fitness activities.

(12) Mixed use development of a large tract of land with a variety of complementary and integrated uses, such as, but not limited to, residential, hotel, retail, public, or entertainment, in a compact urban form, subject to the approval of the City Council of the City of Long Beach as per the specific standards for mixed use development set forth below.

Proposed use: Mixed use development

Proposed uses will comply with all legally permissible zoning and use requirements.

20.7(b)

B. *Status of construction.*

1) Year built: New Construction. Condominium construction began November 11, 2021, and the anticipated date for substantial completion is estimated to be August 1, 2024. Applicable building code: 2020 Building Code of New York State.

2) Class 2 Construction Type. I-B "Non-combustible"
Includes buildings and spaces in which the bearing walls and other major structural elements including floor slabs, roof slabs, terrace roof slabs and columns are 2-hour fire rated. Egress stairways, egress passageways, shaft enclosure are also 2-hour fire rated. Exterior walls above adjacent buildings, demising walls between units and walls between units and residential corridors are 1-hour fire rated. Interior partitions within units are non-rated.

3) Certificate of Occupancy: After completion of construction, the sponsor will apply for a Certificate of Occupancy for the building from the City of Long Beach.

4) New Building Permits:

Description	Application #	Permit #
City of Long beach Construction permit	133027	70715
NCFM Fire Sprinkler Permit	N/A	52978
NCFM Fire Alarm permit		
NCFM Construction Permit		
CLB Electrical permit		
CLB Plumbing Permit	135212	71219
CLB Elevator Permit		
CLB Site work/ Foundation permit	133020	70146
CLB Sewer Permit	N/A	81/21
CLB Road Opening permits	N/A	81/21
NCDOH Pool Permit		
CLB Pool Permit	N/A	N/A
SWPPP – NYSDEC	HP8-TZED-DB22K	NYR11I213

5) Where materials, appliances, equipment, fixtures and / or other construction or design details are specified herein, sponsor reserves the right to substitute in each instance one of comparable or better quality as recognized by industry standards, or as approved by A.O.R.

6) The floor plans included in the Offering Plan conform to the amended floor plans approved by the City of Long Beach.

20.7(c)

C. *Site*.

1) Number of Buildings and Use:

Condominium Phase II development consists of one (1), nine floor (9-floor) building (100 Boardwalk) with residential use on top of a two floor (2-floor) parking garage structure. The Phase II development consists of 95 residential units from Lanai level through PH, with a residential lobby at the Lanai level consisting of a Club Room and Lounge.
Phase I of the project will consist of 97 condominium units in a single 9 story building (140 Broadway) situated to the east of Phase II and also situated above the two (2) levels of parking garage and (2) Non-residential units permitted to be commercial / retail use and located on Parking Level – P2 along the boardwalk.

1) Floor Numbers (Floors and unit numbers in this Report are in reference to Marketing Floor).

Construction Floor	Marketing Floor
Garage Level 1	Parking – P1
Garage Level 2	Parking – P2
1st	Lanai Level
2nd	4th
3rd	5th
4th	6th
5th	7th
6th	8th
7th	9th
8th	10th
9th	Penthouse Level - PH
Roof	R

2) Streets, Drives, Sidewalks and Ramps:

The Street paving along Long Beach Blvd., Riverside and Broadway will be asphalt to match the existing. The sidewalks along Long Beach Blvd., Riverside and Broadway, and internal to the site will be colored concrete with a color and stamped concrete border along the curb line. Detectable warning is proposed at ADA and curb ramps, per Civil drawings. Curbs are per the NCDPW standards and consist of concrete curbs with concrete permeable paver gutters.

Internal to the site the ramp and sidewalks are illuminated with a 14.7' tall decorative light column fixture made of marine grade aluminum with a black marine grade powder coat. Lights are located along the curb line and within planted areas spaced 40'-0" on average to provide uniform lighting suitable for vehicular and pedestrian traffic.

All the adjacent streets are open to the public and the shared driveway for access is privately owned and maintained by The Breeze (refer to Engineering Report B).

Streets, Drives, Sidewalks and Ramps comply with local authorities having jurisdiction, codes and regulations.

20.7(d)

D. *Utilities*.

1) Electricity:

The electricity will be provided by Public Service Electric and Gas Long Island of New York (PSE&G-LI).

1.1 100 Boardwalk will be provided with one (1) house meter, one (1) fire pump meter and ninety-five (95) residential meters located in the garage second level electrical room.

2) Gas:

National Grid will provide one (1) high pressure (1 psi) gas services for 100 Boardwalk. The gas service for 100 Boardwalk shall be for the domestic hot water heaters, HVAC equipment, (1) standby generator and residential cooking. Gas meters shall be provided as follows: 100 Boardwalk will require 95 (ninety-five) gas meters for domestic hot water heaters and cooking ranges, one (1) house meter for the standby generator and HVAC equipment. For 100 Boardwalk gas will be billed to individual tenants.

3) Domestic Water and Sewer Service:

Water Domestic water is provided by the City of Long Beach via a connection to a water main from East Broadway. Each building will require its own 6" domestic water connection. The charges for water service provided to the Building (including Units and the common elements of the Building) will be levied on the basis of a master city meter and in unit sub-meters and borne by the Condominium Unit Owner.

Sewer: The building sewer service and drainage systems connect to City of Long Beach. Each building will require one (1) 12" sanitary lateral extending from each building to East Broadway. The storm water will be collected in a storm water management detention chamber and drained accordingly. The charges for sewer service provided to the Building (including Units and in the common elements of the Buildings) will be levied on the basis of a master city meter and borne by the Unit Owners as a General Common Expense.

20.7(e)

E. *Sub-soil conditions.*

1) Refer to Engineer Report C.

20.7(f)

F. *Landscaping and enclosures.*

1) Refer to Engineer Report J.

20.7(g)

G. Building size

1) Total Height: The building height will be approximately 119' above the sidewalk.

2) Number of Floors: The building will have eleven (11) structural floors, a roof, and one (1) bulkhead level for elevator machine equipment and roof excess stairs. There are no basements or floors below grade.

3) Equipment Rooms: Equipment rooms are at first and second level of Garage, Roof, and Bulkhead Levels. Parking-P1 level will house trash compactor rooms, refuse holding room and water storage tanks. Parking-P2 level will house electrical rooms, telecommunication room, gas meter rooms, water service rooms, fire pump room, beach storage room and some mechanical equipment. The Roof will house mechanical equipment.

4) Parapets: There will be parapets or guardrails at the Parking-P2 level, plaza deck and private terraces with a height of forty-two-inch (42") above finished floor. Main roof of both towers and bulkhead equipment deck will incorporate anchor points for safety harness and other fall protection equipment where code compliant guardrails are not provided.

   All railings will comply with 2020 Building Code of New York State. There are no horizontal members conducive to climbing that can be used as a ladder by children.

20.7(h)

H. Structural system

Foundation: The foundation consists of reinforced concrete pile caps and grade beams supported on piles, supporting concrete columns and concrete shear walls. Piles get their capacity from side friction resistance and end bearing resistance with minimum geotechnical axial capacity of 50 tons. The slab on grade is four-inch-thick (4") plain concrete poured over a 15 mil membrane that sits on four-inch deep (4") minimum clean natural crushed stone. No sub-grade drainage system is provided.

Superstructure: The building's structure is comprised of reinforced cast-in-place concrete flat plate slabs supported by columns and walls. The residential floors have a minimum ten-inch-thick (10") flat slab.

The building is laterally supported by reinforced, cast-in-place concrete shear walls and is designed in accordance with the latest 2020 Building Code of New York State.

1. Exterior of Building

i. Types of Walls for all areas:

a. Garage exterior wall
- CMU vehicle barrier walls with light gauge metal framed piers above
- Sto Powerwall Drain Screen exterior finish
- Aluminum grill infill for openings
- Bearing walls rated for 2 hours

b. Typical Residential exterior walls:
- 5/8" GWB interior face
- 6" metal stud framing
- R-21 batt insulation with integral vapor barrier
- 5/8" Glass-Mat GWB sheathing
- Weather barrier
- GFRC panels at the Lanai level Amenity Space.
- EIFS at floors first through roof
- Trespa accents or similar, w/ mineral wool between the weather barrier and the finish material

c. Window Wall Assembly: Aluminum and glass window wall system consisting of thermally broken, painted aluminum extrusions and insulated, laminated glass units. Insulating glass assembly includes a high performance low-e coating on the #2 surface and laminated glass. Safety glass where required by relevant code. System also includes operable vents, includes receiver frames at head and sill transoms as well as associated window hardware. System will have internal weep system to help prevent water infiltration into the building. Exterior paint finishes shall be AAMA 2605 compliant, 3 coat fluoropolymer paint system. Interior paint finishes shall be AAMA 2603 compliant, Baked-

Enamel or Powder-Coat paint system. Window guards where required by relevant code. Perimeter of the window wall system shall be sealed to the adjacent waterproofing membrane / flashing with a dual sealant joint consisting of silicone weather sealant and closed cell foam backer rod. Extents of window wall will be clad with integral aluminum slab edge covers. Manufacturer is Skyline.

d. Storefront Glazing Assembly: Aluminum and glass storefront system consisting of thermally broken, painted aluminum extrusions and insulated glass units with a high performance low-e coating on #2 glass surface and impact resistant, laminated glass. System also includes associated operable entrance door assemblies, and signage. Safety glass where required by relevant code. System will have internal weep system to help prevent water infiltration into the building. Exterior paint finishes shall be provided with a 20 year warranty. Interior paint finishes shall be AAMA 2603 compliant, Baked-Enamel or Powder-Coat paint system. Perimeter of the punched window system shall be sealed to the adjacent waterproofing membrane / flashing with a dual sealant joint consisting of silicone weather sealant and closed cell foam backer rod. Manufacturer is Kawneer.

e. Cladding Types:

i. Stucco Assembly at Garage: Portland cement stucco with continuous air and moisture barrier, cavity wall design and high-performance finish. The system consists of air and moisture barrier, paper or felt water-resistive barrier, drainage mat, galvanized steel diamond mesh metal lath, ASTM C 926 compliant stucco and a textured finish coat. The stucco system will be installed over sheathing, stud framing and fiberglass batt insulation or cast-in-place concrete shear walls / CMU. Manufacturer is Sto.

ii. Stucco Assembly at Amenities and Residential Towers: Decorative cladding with continuous air/moisture barrier and continuous insulation for heat, air and moisture control. The system consists of air and moisture barrier, insulation board, base coat with integral reinforcing mesh and a textured finish coat. The stucco system will be installed over sheathing, stud framing and fiberglass batt insulation or cast-in-place concrete shear walls / CMU. Manufacturer is Sto..

iii. Glass Fiber Reinforced Concrete (GFRC) Rain Screen Cladding: Glass fiber reinforced concrete panels with concealed back-cut anchors mounted onto horizontal and vertical aluminum support framing with waterproofing and continuous mineral wool insulation. Back-up wall consists of concrete masonry units (CMU) / cast-in-place concrete shear walls or light gauge metal framing with sheathing, AVB / waterproofing membranes and thermal insulation. Cavity insulation will be semi-rigid mineral wool, 2” with an insulating value of R-4.2 per inch. Rain screen assembly is open jointed and back ventilated with a drainable cavity. Manufacturer is Rieder.

iv. Phenolic Wall Panels: Decorative high-pressure compact laminate panels with concealed back-cut anchors mounted onto horizontal and vertical aluminum support framing with waterproofing and continuous mineral wool insulation. Back-up wall consists of concrete masonry units (CMU) / cast-in-place concrete shear walls or light gauge metal framing with sheathing, AVB / waterproofing membranes and thermal insulation. Cavity insulation

will be semi-rigid mineral wool, 2" with an insulating value of R-4.2 per inch. Rain screen assembly is open jointed and back ventilated with a drainable cavity. Manufacturer is Parklex.

f. The thermal performance of all exterior wall type assemblies meets the requirements of the 2020 Energy Code of New York State.

i. Types of Windows for all areas:

a. Fixed and Operable Punched Window Assemblies:

i. Windows shall be aluminum, impact resistant window wall system; Low-E, Argon-filled clear glazing; out-swing awning; colors to be determined. Skyline Series 97.
ii. Sliding glass patio doors shall aluminum, laminated; Low-E, Argon-filled clear glazing; colors to be determined. Skyline 2000.
iii. Hinged patio doors shall be aluminum, laminated; Low-E, Argon-filled glazing; colors to be determined. Skyline 1700.
iv. Window warranty – Final warranty issues after install/certification:
1. Exterior Finish: 20 years.
2. Insulated Glazing Unit: 10 years.
3. Material & Labor (parts): 5 years.
4. Labor (installation): 5 years.

b. The light and air requirements comply with the 2020 Building Code of New York State.

c. The design includes thermally-broken aluminum and glass fixed and operable out-swing awning windows, hinged patio doors to terraces and sliding doors to terraces.

d. Windows have operable out-swing awning vents, fitted with limit stops per 2020 Building codes of New York State, Child Fall Prevention Program requirements. The glazing will be insulated glass units with a low-e coating. Exterior and interior gaskets shall be compatible with all structural and weather sealants as required. Window manufacturer is Skyline.

e. Glazing Sealants within the glazing assemblies shall be compatible with and adhere to all adjacent substrates. The perimeter seals between the window system and adjacent cladding assemblies shall be generic silicone weather sealant.

f. The window wall and storefront assemblies will all be installed in accordance with the manufacturer's standards and comply with the requirements of the 2020 Building Code of New York State.

g. Maintenance of operable out-swing awning vents including glass replacement and cleaning will be performed from the outside of the building. Cleaning of fixed glazing will be performed from the exterior by means of a window-washing suspended platform. Glass replacement for fixed glazing will be performed from the exterior of the building.

h. Screens are not provided at operable windows.

2.) Parapets and copings:

i) Roof parapets shall consist of light gauge steel stud framing / sheathing that are fully waterproofed and flashed by the adjacent roofing membrane system and tied into the weather barrier membrane at the interior surface of the parapet walls. At occupiable roofs, the interior surface of parapets shall consist of insulated stucco with rigid 2" XPS insulation, metal lath and stucco finish. At non-occupiable roofs, the interior surface of parapets shall consist of exposed thermoplastic polyolefin (TPO) roofing. Metal copings shall be treated with AAMA 2605 compliant PVDF finish system as selected by the Architect. All copings are laterally anchored into the parapet wall with stainless steel cap flashing below the coping. All anchor penetrations through the waterproofing and cap flashing shall be set in compatible sealant.

ii) Metal guardrails are provided where parapets are lower than forty-two-inches (42") above finish floor. Metal guardrails comply with the 2020 Building Code of New York State. There are no horizontal members conducive to climbing that can be used as a ladder by children.

3.) Chimneys and caps:

There will be 1 trash chute for the refuse compactor that will extend from the first floor of the garage through the Bulkhead Roof.

There will be 1 recycling chute that will extend from the first floor of the garage through the Bulkhead Roof.

There will be 99 hot water heater concentric vents that will extend horizontally from each unit and terminate at an exterior wall.

4.) Balconies and Terraces:

One (1) residential limited common terrace for units PH-1, PH-2, PH-3 and PH-4 will be located at the ninth floor building roof. One (1) residential limited common terrace for unit 1001 will be located at the eighth level building roof. Additional residential limited common

terraces will be provided at units LANAI-1, LANAI-2, LANAI-3, LANAI-4, LANAI-5, LANAI-6, LANAI-7 and LANAI-8 at the first floor roof; 406 at the fourth floor. Balconies will be provided at units 401, 402, 403, 404, 405, 407, 408, 409, 410, 411 and 412 at the fourth floor; 501, 503, 504, 505, 506, 507, 509, 510, 511 and 512 at the fifth floor; 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611 and 612 at the sixth floor; 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, and 711 at the seventh floor; 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811 and 812 at the eighth floor; 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911 and 912 at the ninth floor; 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011 and 1012 at the tenth floor; PH-5, PH-6, PH-7 and PH-8 at the Penthouse level.

i) Terrace Deck Finish: Pedestal Pavers will be used at main roof decks and terraces. All roof drains shall be accompanied by overflow drains connected to the storm leader on verticals.

ii) Balcony Deck Finish: Pedestal Pavers and Large Format Ceramic Tile will be used at the balconies. All drains shall be connected to the storm leader on verticals.

iii) Balustrade: Metal balustrades with wire mesh infill panels are utilized as protective railings at all balconies and terraces. Metal guardrails shall be forty-two-inches (42”) in height and comply with the 2020 Building Code of New York State. There are no horizontal members conducive to climbing that can be used as a ladder by children.

iv) Copings: Metal Coping will be provided as required.

v) Soffits: The exterior soffits at the underside of cantilevering elements are finished with a high performance decorative and protective wall coating.

vi) Terraces doors:

Thermally broken aluminum framed out-swing glazed terrace doors with insulated, laminated glass panels with high performing low-e coating. System includes receiver frame at head and sill as well as associated door hardware. System will have internal weep system to help prevent water infiltration into the building. Exterior paint finishes shall be AAMA 2605 compliant, 3 coat fluoropolymer paint system. Interior paint finishes shall be AAMA 2603 compliant, Baked-Enamel or Powder-Coat paint system.

Thermally broken aluminum framed sliding glazed terrace doors with insulated, laminated glass panels with high performing low-e coating. System includes receiver frame at head and sill as well as associated door hardware. Provide ADA compliant sills and hardware. System will have internal weep system to help prevent water infiltration into the building. Exterior paint finishes shall be AAMA 2605 compliant, 3 coat fluoropolymer paint system. Interior paint finishes shall be AAMA 2603 compliant, Baked-Enamel or Powder-Coat paint system.

5.) Exterior Entrances:

Exterior entrances to amenities at the Lanai level will be ADA compliant. Exterior doors and frames manufacturer to be confirmed once manufacturer has been selected.

i) Exterior Doors and Frames:

a. Building Entrance Doors:

Medium Stile, entrance doors consisting of thermally broken, aluminum profiles and insulated, laminated glass units with a high performance low-e coating on #2 glass surface. Thermal entrance doors feature foam polymer inserts and dual perimeter air seals as well as thermally broken threshold and internal weep system.

ii) Vestibule doors and Frames: See Residential Entrance Doors

iii) Exterior Stairs: There is one exterior stair located off the boardwalk south of 140 Boardwalk and east of the Non-Residential Units, stair construction will be concrete filled metal pans.

iv) Exterior Ramps: There is one exterior ramp located off the boardwalk adjacent to the entrances of the Non-Residential Units, ramp construction will be cast-in-place concrete.

v) Railings: See exterior railings.

vi) Mailboxes and Parcel units: U.S. Postal Service approved boxes will be located in the Lanai level mailroom.

vii) Lighting: Accent lighting will be provided within the canopy and on the façade to illuminate the sidewalk at the residential entrance.

6.) Service Entrances: There are no distinct service entrances.

7.) Roof and Roof Structures:

The roof structure consists of reinforced cast-in-place concrete supported by columns and walls. Manufacturer of roof system is Siplast or equal. Installation of roof pavers for areas designated as terraces retains the warranty. Roof warranty is dependent on manufacturer selected.

Flat roofs will be provided for all areas: The main roof consists of a cast-in-place, reinforced concrete slab.

i. Type of Roofs for all areas:

a. Material:

    1) Inverted Roof Membrane Assembly (IRMA): Hot Fluid-Applied Rubberized Asphalt or approved equal; reinforced 215 mil membrane. Elastomeric sheet reinforcing is 50 mil uncured sheet neoprene fully embedded between layers of hot membrane. Penetration flashing to be PMMA two part catalyzed reinforced liquid-applied membrane. Linear flashing to be torch grade SBS-modified bitumen membrane 0.08 inch thick with woven polyester reinforcement of at least 180 g/m2.
        i) Locations:
            a. Ground Floor Plaza
            b. Penthouse Level Roof Deck (PH1, PH2, PH3 and PH4)
            c. Tenth Floor Roof Deck (1001)
            d. Fourth Floor Roof Deck (406)

    2) Conventional Roofing Assembly: Two-ply torch grade Styrene-Butadiene-Styrene (SBS) modified bitumen membrane system with base flashing and accessories over lightweight insulating concrete. Linear and Penetration flashing to be reinforced cold fluid applied PMMA.
        i) Locations:
            a. Main Roof, Amenity Roof and Bulkhead.

    3) Balcony: Large format ceramic tile (wet, exterior use) with cementitious bond coat over fluid applied waterproof deck membrane sloped to drains min ¼" per foot with reinforcing fabric.
        i) Locations:
            a. All residential balconies not directly over occupied space.

b. Insulation: Rigid XPS insulation board (R-5 per inch) at IRMA roofs and lightweight insulating concrete (R-4 per inch) at conventional roofs as noted above. Rigid insulation per the 2020 Energy Conservation Code of New York State.

c. Surface Finish: All occupiable IRMA roofs shall have precast concrete pavers set on adjustable pedestals (color / finish TBD by Architect). All non-occupiable conventional roofs such as bulkheads and mechanical penthouses shall have exposed modified bitumen membrane and factory-formed, nonporous, heavy-duty, slip-resistant, surface-textured walk pads as required for maintenance access.

Bond or guarantee: Manufacturer's standard form, no dollar limit, without deductibles or limitations on coverage, in which manufacturer agrees to repair or replace components of roofing system that fail in materials or workmanship within the specified warranty period and shall be issued at no additional cost to the Owner. Warranty Period shall be 20 years for conventional roof membrane assemblies and 20 years for inverted roof membrane assemblies and shall commence from the date of Substantial Completion.

Substantial Completion refers to the stage of construction at which installation is sufficiently complete, in accordance with the construction contract documents, such that the owner may use or occupy the building project or designated portion thereof for the intended purpose.

d. Flashing materials including counter flashing: Catalyzed acrylic resin flashing system and reinforced fluid applied polymethylmethacrylate (PMMA) resin flashing system at transitions between horizontal and vertical surfaces. 316 series stainless or galvanized steel cap and pan flashing at parapets and curbs.

ii. Drains:

a. Location, material and type:

1) There are at least (2) floor drains per apartment in 100 Boardwalk for a total of at least (198) floor drains. One drain will be in the room with the water heater and clothes washer/dryer. The second will be a hub drain to drain the mechanical condensate. There are (2) located at the Parking level, one for each water room and trash room, (2) located at the roof level: Cast Iron Body, Types: vary

2) 100 Boardwalk has (6) roof drains. Each drain is paired with an overflow drain.

3) There is a total of twenty-one (21) terrace drains located in the building. Type: Hub drain with trap guard. The terrace drains are located throughout the building on the Residential Private Terraces and Common Terrace as Follows:

There are (8) terrace drain located on the 1st floor for Units Lanai 1, Lanai 2, Lanai 3, Lanai 4, Lanai 5, Lanai 6, Lanai 7 and Lanai 8.
There is (1) terrace drains located on the 4th floor for Unit 406.
There are (2) terrace drain located on the 10th floor for Unit 1001.
There are (10) terrace drains located on the PH floor for Units PH-1, PH-2, PH-3 and PH-4.

4) There is a total of one hundred fifty-seven (157) balcony drains located in the building. Type: Hub drain with trap guard. The

balcony drains are located throughout the building on the Residential Private Balconies.

b. Leaders:

1) There are three (3) leaders at the roof of the building: One (1) at the stair bulkhead. Two (2) at the elevator bulkheads. Type: Schedule 40 PVC, round.

iii. Bulkheads:

a. Stairs: The stair and elevator bulkhead will be clad with architectural screening elements.

b. Elevator: The elevator bulkhead will be clad with architectural screening elements.

~~c.~~ Other: Bulkhead roofs will be cast in place concrete with rigid insulation per energy code.

iv. Metal work at roof levels:

a. Railings: OSHA compliant railings will be provided at mechanical roofs and comply with the 2020 Building Code of New York State.

b. Other: At dunnage levels, open, structural metal decking will be utilized for rooftop mechanical unit storage. A platform will be provided for access to and maintenance of make up air unit.

c. Rooftop Facilities: No cellphone towers or satellite dishes provided. Antennae as required for BDA system. A lightning protection system will not be provided.

8.) Fire Escapes: There are no exterior fire escapes.

9.) Yards and Courts: At grade level, there are front yards that are approximately 351'-11" x 10'-0" on Riverside Boulevard, 700'-0" x 10'-0" on Broadway, and 400'-6" x 10'-0" on Long Beach Boulevard. A public plaza is provided instead of a front yard on Ocean Beach Park. The plaza includes two grab and go establishments connected to the public boardwalk. Each yard area is open to the public.

i) Paving: Poured in place concrete will be used for public sidewalks.

ii) Drainage: Drainage will either be through the planted areas or to the existing street drains.

iii) Railings: There are no railings in the yards.

iv) Stairs: There are no stairs in the yards.

v) Fencing: *See F4 for more information on fencing.*

vi) Walls: There are no walls in the yards.

10.) Interior stairs.

i) Number of Stairs: There are Two (2) egress stairways; Stairway A1 and A2, provided for residential use that service the building; Stairways A2 from grade level (Parking-P1 level) to the Roof level to provide service and maintenance access to Roof; Stairway A1 from Grade level to the PH Level.

ii) Enclosure: All Egress stairs (Stair A1 and A2) will be 3'-8" minimum wide, will have a 2-hour rated enclosure with 1 ½ hour rated doors as per 2020 Building Code of New York State.

iii) Stair Construction: All Egress stairs will be constructed of cast-in-place concrete.

iv) Stringers: Egress stair stringer to be constructed of steel or cast in place concrete stairs.

v) Treads: Egress stair treads to be constructed of concrete or cast in place concrete stairs.

vi) Risers: Egress stair risers to be constructed of steel or cast in place concrete stairs.

vii) Guardrails: Egress stair handrails and guardrails to be made of metal.

11.) Residential Interior wall design.

<u>Dwelling Unit Separation Walls shall be detailed as follows:</u>
- 1hr rated per UL-U419
- STC-50 code requirement.
- Two layers 5/8" GWB on both sides for fire rating and acoustics.
- 6" metal stud construction
- Glass fiber batt insulation for acoustics
- non-hardening sealant at top and bottom of GWB for acoustics
- Fireblocking as required for concealed vertical spaces

<u>Corridor Walls shall be detailed as follows:</u>
- 1hr rated per UL- U419
- STC-50 code requirement.
- Two layers 5/8" GWB on both sides for fire rating and acoustics
- 6" metal stud construction

- Glass fiber batt insulation for acoustics
- non-hardening sealant at top and bottom of GWB for acoustics
- Fireblocking as required for concealed vertical spaces

Stair Tower and Elevator Shaft Walls shall be detailed as follows:
- 2hr rated per 2020 BCNYS Table 721.1(2)
- STC to be determined
- 12" poured in place concrete or 8" CMU
- Metal stud furring wall with ½" airspace and 5/8" GWB on outside face
-Elevator Shaft wall on entry door side shall be GWB shaft wall construction.

Mechanical Shaft Walls shall be detailed as follows:
- 2hr rated per UL- U415
- 1" GWB shaft wall liner panel assembly, clipped/braced to parallel adjacent metal stud walls on both sides.

12.) Floor/Ceiling Design.

Parking-P1 level Structural Slab shall be detailed as follows:
- Waterproofing at elevator pit.
- Sheet vapor barrier below slab.

Parking-P2 level Floor Assembly shall be detailed as follows:
- 2 hr rated concrete slab per 2020 BCNYS table 721.1(3).

Lanai Level Floor Assembly at Residential Towers shall be detailed as follows:
- Acoustic panel garage ceiling on suspension system.
- Insulated, heated plenum space.
- 2 hr rated concrete slab per 2020 BCNYS table 721.1(3).
- Floor finishes to be determined.

Condo Unit Floor/Ceiling Assembly shall be detailed as follows:
- Paint and Cover Coat finish.
- 2 hr rated concrete slab per 2020 BCNYS table 721.1(3).
- 5mm rubber underlayment equivalent to Encore International QTSCU 4005, Pliteq Geniemat RST-05 or Regupol America Sonus 5mm. Code minimum IIC for floor assembly is 50.
- Composite wood floor finish.

Condo Unit Bathroom Floor/Ceiling Assembly shall be detailed as follows:
- Painted GWB finish.
- Wire tie hangers, minimum 6" plenum, with 6" batt insulation in cavity.
- 2 hr rated concrete slab per 2020 BCNYS table 721.1(3).
- 5mm rubber underlayment equivalent to Encore International QTSCU 4005, Pliteq Geniemat RST-05 or Regupol America Sonus 5mm. Code minimum IIC for floor assembly is 50.
- Tile floor finish.

13.) Interior doors and frames.

i) Lobby interior doors and sidelites shall be aluminum storefront system. Kawneer medium style doors or equal.

ii) Residential unit entry doors- 20 min rated painted 1-3/4"x 7'-0" steel 2-panel flat top insulated doors (Therma-Tru or equal).

iii) Residential unit interior doors shall be flush, solid core.

iv) Residential unit mechanical closet shall have an access panel (hvac, water heater, laundry)- insulated steel 2-panel flat top for acoustic purposes. Non-louvered. Air transfer grille above laundry door.

v) Utility room/closet doors in common areas- match apartment entry doors.

vi) Corridor doors and frames are hollow metal, self-closing with 1 ½ hour fire rating per 2020 Building Code of New York State.

vii) Egress stairway doors will be hollow metal with hollow metal frames, and self-closing with 1 ½ hour fire rating per 2020 Building Code of New York State.

viii) Roof and garage doors will be hollow metal with hollow metal frames, and self-closing with 1 ½ hour fire rating per 2020 Building Code of New York State.

14.) Elevators:

i) Number of Elevators: There are two (2) passenger/service elevators that will be provided in this building. No dedicated service elevator shall be provided.

ii) Elevator Type: Elevator machine manufacturer: Otis, controller manufacturer Otis. ELEV #A1 & #A2: Three-thousand and five-hundred pounds (3500# / 21 Passengers) at 350 FPM, 84" stretcher and fire service elevator.

iii) Type of operation: Both passenger elevators will have automatic operation and will have firefighter operation. Both elevators are Class-C3 loading.

iv) Type of Controls: Duplex, selective/collective. Manufacturer Otis.

v) Floors served: Parking-P1 level to PH Level, Eleven (11) landings

vi) Type: Traction Elevator with Overhead Machine Room

vii) Doors: A1 and A2 Single-Speed, slide – front opening, Automatic Doors

viii) Location of elevator machine room: There are no elevator machine rooms in this project. The elevator machines will be in the hoistway wall at the top floor.

ix) Location of Elevator Control Room: There are elevator control rooms located on Parking-P2 level.

x) Other: The sponsor will not procure a maintenance contract for the elevators. The condominium association will be responsible for arranging a maintenance contract, providing subsequent repairs and scheduling future inspections as required. All costs shall be borne by the unit owners as a General Common Expense.

13.) Elevator cabs:

i) Kind (manufacturer); Otis

ii) Floor (material): Tile.

iii) Walls (material): wood and metal panel

iv) Ceiling (material): Metal panel

v) Lighting; Linear LED fixture and Square recessed led downlight

vi) Alarm, safety system; Fire Recall, emergency communication and emergency lighting will be installed per the 2020 Building Code of New York State.

I. *Auxiliary facilities*:

1) Refuse disposal:

i. Compactors: Two (2) compactors on grade level; and trash chute with doors. Capacity is 2.9 cu. ft. Manufacturer is Auto-Pak, model type is the Gobbler 1.

ii. Approvals: There are no refuse disposal approvals by authority having jurisdiction required.

iii. Refuse disposal recycle rooms will be located on Lanai Level through PH Floor adjacent to elevator A2. The trash chute will have sprinklers installed as per the governing codes and regulations.

2) Bicycle Storage:

i. Location: The bicycle storage is located on the Parking-P2 level and is accessible from the garage.

ii. Racks: Global Industries, MRH Max Rack, Hanger / Bike rack in black, or equivalent. Storage quantity to be 16 minimum.

iii. Maintenance and Management: This facility will be for occupants only subject to such rules and regulations as Board may adopt. The Bicycle Storage Room will be part of the residential common elements and the costs and expenses to operate and maintain will be included in the Residential Common Expenses.

3) Package Rooms, as part of Phase 1, 140 Boardwalk:

i. Location: One (1) package room will be provided. The package room will be located on the Lanai level of the building, accessible from the residential lobby.

ii. Maintenance and Management: These facilities will be for occupants only and subject to such rules and regulations as Board may adopt. Package rooms will be part of the residential common elements and the costs and expenses to operate and maintain will be included in the Residential Common expenses.

4) Amenity Suite, as part of Phase 1, 140 Boardwalk:

i. Location: The amenity suite will be located on the Lanai level and will be accessible from the common corridor.

ii. Access: doors povide access to the amenity suite and will be outfitted with card readers for occupants.

iii. Amenity Rooms

a. Kids Playroom
b. Card Room
c. Club Room – located in HOA building
d. Mail Room
e. Lobby/Lounge – located in HOA building
f. Dog Wash

5) Amenity Rooms:
   i. Condominium Phase II amenity suite constitutes approximately five-thousand gross square feet (5,000 gsf) and contains various amenity rooms connected by an en-suite corridor. *See section X for Amenity Room finish information*. Amenity Rooms are provided as follows:

      a. Co-Working – located in Phase II, 3 occupants, shared with 140 Boardwalk Condominium
         1. (1) Conference table
         2. (6) Armchairs
         3. (2) Laptop Tables
         4. (1) Coffee Table
         5. (4) Lounge chairs
         6. (1) Ottoman
         7. (2) Televisions

      b. Gym – located in Phase II, 49 occupants, shared with 140 Boardwalk Condominium
         1. (6) Treadmills
         2. (4) Ellipticals
         3. (2) Climbmill
         4. (2) Upright Cycles
         5. (2) Rowers
         6. (2) Full Power Racks
         7. (1) Functional Trainer
         8. (3) Multi-adjustable Bench
         9. (1) Utility Bench
         10. (1) Adjustable Bench
         11. (1) Leg Press
         12. (1) Multi Press
         13. (1) Leg Curl
         14. (1) Seated Row
         15. (1) Chin/Dip Assist
         16. (2) Sofas
         17. (2) Coffee Tables

c. Sauna – located in Phase II, 2 occupants, shared with 140 Boardwalk Condominium
    1. Providing 1 sauna in Women's room. Spec: Clearlight Sanctuary Retreat or equal.
    2. Providing 1 sauna in Men's room. Spec: Clearlight Sanctuary Retreat or equal.

d. Training Room – located in Phase II, 23 occupants, shared with 140 Boardwalk Condominium
    1. (3) Echelon Reflect with touchscreen or equal.

e. Mail Room – located in Phase II, 2 occupants, 100 Boardwalk

ii. Common Bathrooms: two (2) common bathrooms will be located at the Lanai level. The toilets are for both men and women. The toilets are accessible from the Training Room.

iii. Maintenance and Management: These facilities will be for residents only and subject to such rules and regulations as board may adopt. Amenity rooms will be part of the residential limited common elements and the costs and expenses to operate and maintain will be included in the Residential Common Expenses.

6) Outdoor Cabanas – shared with 140 Boardwalk Condominium. Cabanas are available for use by license only.

i. Cabana – 14'-8" x 12'-0" (outside dimensions)
ii. Furniture – By Owner
iii. 55" Outdoor Television
iv. 2'-6" x 7'-0" long granite counter with sink (hot and cold water)
v. Mini refrigerator: (Model: Summit, ALRF49BCSS)
vi. Ice Maker (Model: Summit, BIM25H32)
vii. Overhead lighting
viii. Privacy Curtains with tie backs
ix. Concrete paver floor
x. 1 convenience outlet

7) Common Roof Terrace – N/A.

J. Plumbing and drainage.

1) Water supply.

Potable water is supplied via Long Beach City public water system. Each Building requires a 6" domestic water service and water meter will be provided from the public water main to a triplex booster water pump located in the water service room on Parking level. There will be a main shut-off valve located at the water meter for each building. The water service for 100 Boardwalk shall enter from East Broadway.

Each Building will have cold water, hot water and hot water circulation. In 100 Boardwalk, domestic hot water will be provided by an instantaneous hot water heater found in each apartment. Domestic water will be delivered to all plumbing fixtures and equipment. In 100 Boardwalk, domestic cold water will be distributed horizontally at the base of the building to supply risers. Branch piping will be provided to all fixtures and appliances within the building.

Cold water piping above ground will be Niron piping. Piping within the units shall be PEX with push fittings. Cold water piping underground will be cement lined ductile iron class 52. Hot water piping will be type "L" hard drawn copper tubing.

All hot and cold domestic water piping shall be insulated throughout. Hot water piping insulation shall be at least 1" thick for pipe sizes ½" thru 1-¼" in diameter and 1-½" thick for pipes 1-½" diameter and larger. Cold water insulation piping shall be at least ½" thick for pipe sizes ½" thru 1-¼" in diameter and at least 1" thick for all piping equal to or larger 1-½"in diameter.

2) Fire Protection System:

The fire alarm command station for each building will be in the Residential Lobby of each building's Ground Floor. The buildings are fully sprinkled throughout via a combination standpipe and wet sprinkler system. Water is provided through one dedicated 6" fire water service connected to the City water main from Broadway for Building "A".

The automatic fire pumps and jockey pumps are located in the fire pump rooms at the Parking-P2 level for each building. The fire pumps shall be rated for 750 GPM each, horizontal split case type, as they are supplied each by a 6" fire service. The fire pumps serve the fire standpipe and sprinkler systems within the buildings and the garages.

The dry sprinkler systems at the garage will also be supplied by the above-mentioned pumps. The garages shall be provided with an independent automatic dry standpipe system, which is supplied by the same fire pumps as noted above.

The jockey pumps shall be rated 8 to 10 GPM vertical multi-stage pumps and shall maintain the pressure in the entire building's combined sprinkler/fire standpipe. Both the fire pump and jockey pump will require periodic maintenance. Any control valves throughout the system will require periodic maintenance as well.

The building is provided with a class I standpipe system in accordance with NFPA 14 and New York State 2020 Building Code Chapter 9 and the Nassau County Fire Prevention Ordinance of 2017. The fire standpipe system will consist of one combined fire standpipe and sprinkler riser and one fire standpipe riser. Standpipe piping will be black schedule 40 steel with both malleable iron and ductile-iron fittings and threaded joints. The automatic dry standpipe in the garage shall be sch. 40 galvanized pipe. The building riser will serve all floors and will be located in the stairways. A roof hose valve will be provided for each building. The buildings and garages fire standpipes will be supplied by the automatic fire pumps.

i. Hose racks, hoses and nozzles (location);

(2) 2½" hose valve with cap and chain will be located at fire standpipe riser at each floor. The hose valve will require periodic maintenance.

ii. Sprinkler heads (type system, location);

Sprinkler water will be from the 6" combined standpipe/sprinkler riser. Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire building. Sprinkler piping will be black schedule 40 steel with both malleable iron and cast-iron fittings and threaded joints downstream of the sprinkler floor control valve and black schedule 10 steel with grooved fittings for the risers and mains. The sprinkler system will have 3 different types of standard heads; upright, concealed and sidewall. Sprinkler heads will be located throughout all living areas in the Residential Units, Public Corridors and Multi-Purpose Spaces, and all other areas required by code. The garages will be provided with a dry pipe sprinkler system. The pipes shall be sch. 40 galvanized steel for branch lines up to and including 2" in size, and sch. 10 galvanized steel for mains over 2.5" in size. All sprinkler heads are part of the "Ordinary Temperature Rating" category. Their specific ratings vary between 155F to 165F. The building is fully sprinklered with the exception of non-combustible concealed spaces.

iii. Siamese connection (type, location);

The combined standpipe/sprinkler system will have one (1) combined flush type 6" outlet with plate. Siamese connections are located on the ground floor building façade facing Riverside Blvd and Broadway. The Siamese connections are cross connected to the combination standpipe and sprinkler system & risers. The combined Siamese shall be 6"x 2.5"x 2.5"x 2.5" and 6"x 2.5"x 2.5"x 2.5"x 2.5" flushed type with yellow caps 18" to 36" above the sidewalk. Periodic maintenance will be required for the Siamese connections.

3) Water Storage Tank and Enclosure.

There are no water storage tanks for firefighting in 100 Boardwalk.

4) Water Pressure

The domestic water pressure will be maintained by means of three variable speed triplex booster system for each building. The triplex water booster pump Grundfos model Hydro multi-B/E 3CME15-3 shall be used in 100 Boardwalk and shall be in the water service room on Parking-P2 level. The fire protection water pressure is maintained by a fire and jockey pump. There will be a single house meter. The domestic water distribution pressure supplied to any plumbing fixture will be maintained between 40 psi and 80 psi. This will be accomplished by using Pressure Reducing Valves (PRV's) in any apartment or plumbing fixture where the pressure exceeds 80 psi. Branch piping will be provided to all fixtures and appliances within the building, including Residential Units and Common Spaces.

5) Sanitary Sewage System;

A new 10" ductile iron pipe sanitary line will be brought into each building at the Parking-P1 level from the city main at Broadway. The service will flow by gravity to the street.

Sewage Piping: Above ground piping will be PVC. Fittings will also be PVC D.W.V Fabricated and combined using PVC solvent cement.

Underground piping will be Hub & Spigot cast iron with cast iron hubs & spigot fittings and neoprene compression gasket.

Sewage Disposal: Sanitary sewage will be conveyed by gravity via vented waste branches, stacks and house drains to the 10" house sewer to the Broadway sewer main. Sanitary sewer discharged from the building will connect to the public sewer system.

6) Permits: See section *U.*

7) Storm Drainage System

There will be control roof drains, overflow roof drains, floor drains, area drains, terrace drains, and scupper drains for this building.

i) Piping (materials);

a. Above ground piping will be PVC schedule 40.
b. Underground piping will be PVC, unless otherwise noted.

ii) Piping sizes;

a. Size of sewage piping will range from 2" to 12", connecting to sewer system in Building.
b. Size of storm sewer piping will range from 3" to 8", connecting to storm system in Building.

iii) Ejection or sump;

A Little Giant Model WS50-HM-12-20, Little Giant Model WS100HM-12-20 and Stancor SV-300 elevator sump pump will be provided or equal for the elevator pits with oil sensing alarm panel and pump switches.

K. Heating System

1) Domestic hot water for 100 Boardwalk will be supplied by an instantaneous, tankless hot water heater. The model is the Rinnai Ru199iN. The domestic water heaters for 100 Boardwalk will have a 200 MBH input and have a 3.8 GPH recovery at 100 deg F. These heaters will also aid HVAC with space heating requirements. The hot water heaters comply with the energy efficiency requirements of the latest edition of the ASHRAE 90.1 Standard and shall be AHRI certified to 96% thermal efficiency. Individual thermostats provided per unit. Domestic hot and cold water will be distributed by means of a type "L" copper piping distribution system. Warranty for the hot water heater - heat exchanger 15 years or 12,000 operation hours, all other parts and components 5 years and reasonable labor 1 year.

2) Cold water piping above ground will be Fused Seal PVC Pipe. Cold water piping underground will be cement lined ductile iron class 52. Cold water piping within the units shall be PEX piping with push fittings.

3) All domestic cold water distribution is controlled by the booster pumps found on the Parking-P2 level. All fixtures must have at least 40 psi and at most 80 psi. PRV's will be implemented on lower floors where the pressure exceeds 80 psi. All domestic water distribution piping will be copper type "L" with soldered or mechanical joints, except for the piping within the units. The piping within the units shall be PEX with push fittings.

4) Hot water piping shall have 1" insulation minimum for all pipes.

5) All water heating units are sized to provide 120°F water at peak load at ASHRAE 90.1 design temperatures. All space heating systems will be designed to provide sufficient heat to maintain inside conditions of 70 degrees Fahrenheit when the outside conditions are 5 degrees Fahrenheit dry bulb.

6) In 100 Boardwalk the circulation pumps are integral to the Rinnai Hot water heater specified.

7) Space heating: Space heating will be provided to the residential living areas by an Aquatherm combo heater system as manufactured by Aspen Manufacturing. Heat is provided by the water heater within the residential living areas. Conditioned supply air shall be distributed through ductwork using a single wall mounted indoor air handling unit for each residential living area. Each indoor air handling unit shall be controlled by a 7-day programmable wall mounted thermostat. The nominal heating capacity of each split system will vary from 21.9 to 68.1 MBH depending on the size and exposure of the residential space it is serving. The water heater will have a uniform energy factor rated at no less than .93.

AIR HANDLING UNITS SCHEDULE (APARTMENTS)				
Unit Number	Nominal CFM	Manufacturer	Model #	Warranty
AHU-1.5	450	Aspen Manufacturing	AFW184-000+UC2S8	5 years
AHU-2.5	730	Aspen Manufacturing	AFW304-000+UC2S8	5 years
AHU-3.0	1050	Aspen Manufacturing	AFW364-000+UC3S8	5 years
AHU-4.0	1500	Aspen Manufacturing	AFM494-000+WC4L8	5 years

8) Space heating: Space heating shall be provided to amenities area and lobby by an air-cooled Variable Refrigerant Flow (VRF) system as manufactured by Mitsubishi. The VRF outdoor condensing units shall be located on the main roof. Conditioned supply air shall be distributed through ductwork using multiple indoor fan-coil units for the amenity areas and lobby. Each indoor fan-coil unit shall be controlled by a 7-day programmable wall mounted thermostat. The nominal heating capacity of each VRF system shall vary from 80 to 270 MBH depending on the size and exposure of the amenity and lobby areas it is serving. The VRF outdoor condensing unit will have heating efficiencies rated at no less than 3.2 COP.

9) All heating systems will be designed to provide enough heat to maintain inside conditions of 70 degrees Fahrenheit when the outside conditions are 10 degrees Fahrenheit dry bulb. The system efficiencies will meet the requirements of the 2020 Energy Conservation Code of New York State.

10) 100% Outside air is provided to the common corridors and amenity spaces (Co-Work, Yoga, Gym) by air-cooled packaged direct expansion (DX) Roof Top Units (RTU) as manufactured by Trane located on the main roof. This air-cooled packaged DX rooftop unit will have a gas-fired furnace that will heat the 100% outside air to provide neutral air into the building at 70 degrees Fahrenheit. The RTU heating efficiencies will be rated at no less than 80% thermal efficiency.

11) Space heating in residential storage room, stairwells and electrical room shall be provided by electric unit heaters (UH).

12) Heating supply and return air ductwork and plenum shall be provided with a minimum of R-6 (installed value) insulation for indoor location and a minimum insulation of R-8 (installed value) for outdoor locations.

13) A final testing and balancing report will be provided for all ducted mechanical systems by the mechanical contractor.

L. Gas supply:

1) Type: Natural gas will be supplied from local utility gas mains entering the building on the Garage level on Riverside and Broadway. The cost of the gas consumed will be borne by all Unit Owners metered and billed appropriately in 100 Boardwalk.

2) Meters
100 Boardwalk will require 99 gas meters for domestic hot water heaters, cooking ranges, dryers and one (1) house meter for the standby generator, HVAC equipment and Barbeques

3) Gas will be distributed to each Residential unit from the common gas meters located in the Parking-P2 level gas meter rooms for 100 Boardwalk.

4) The standby generator shall be provided with natural gas supplied by public utility through a dedicated gas service and meter schedule 40 black steel pipe distribution system.

5) Piping: All gas piping will be black steel Schedule 40 pipe with malleable iron fittings.

M Air conditioning:

1) Major HVAC systems are as follows:

Cooling: Cooling will be provided to all residential dwelling units by an air-cooled split direct expansion (DX) system pairing indoor air handling units as manufactured by Aspen Manufacturing and outdoor condensing units as manufactured by Goodman or equivalent. The DX outdoor condensing units are located on the main roof. Conditioned supply air shall be distributed in each residential living area through ductwork using a single wall mounted indoor air handling unit. Each indoor air handling unit shall be controlled by a 7-day programmable wall mounted thermostat. The outdoor air-cooled DX condensing units have the following specifications:

OUTDOOR AIR COOLED CONDENSING UNITS SCHEDULE (APARTMENTS)						
Unit Number	Configuration	Cooling Capacity (MBH)	EER	Manufacturer	Model #	Warranty
CU-1.5	Vertical	18	12.2	Goodman	AFW184-000+UC2S8	5 years
CU-2.5	Vertical	30	12.5	Goodman	AFW304-000+UC2S8	5 years
CU-3.0	Vertical	36	12.5	Goodman	AFW364-000+UC3S8	5 years
CU-4.0	Vertical	48	12.5	Goodman	AFW494-000+WC4L8	5 years

2) Cooling: Cooling will be provided to all residential common areas by an air-cooled Variable Refrigerant Flow (VRF) system as manufactured by Mitsubishi. The VRF outdoor condensing units are located on the main roof. Conditioned supply air shall be distributed through ductwork using multiple ceiling hung indoor fan-coil units to all the amenity space and lobby. Each indoor fan-coil unit shall be controlled by a 7-day programmable wall mounted thermostat. The outdoor air-cooled VRF condensing units have the following specifications:

i) All cooling systems will be designed to provide sufficient air conditioning to maintain inside conditions of 75 degrees Fahrenheit and 50% relative humidity when the outside conditions are 89.7 degrees Fahrenheit dry bulb. The system efficiencies will meet the requirements of the 2020 Energy Conservation Construction Code of New York State.

ii) 100% outside air will be provided to all residential corridors by four (4) air-cooled packaged Direct Expansion (DX) rooftop unit, RTU, as manufactured by TRANE Model OADG020B1, OADG300F3, OADG020B1.This air-cooled packaged DX rooftop unit will have a gas-fired furnace and will heat, air-condition and dehumidify outside air as necessary to provide neutral air [70F/50%RH] into the building with a rated efficiency no less than 10.2 EER.

iii) There will be no cooling towers in the building.

3) All rooftop motorized equipment to be located on concrete inertia bases, supported by spring vibration isolation. Spring type isolators shall be free standing and laterally stable without any housing and complete with ¼" neoprene acoustical friction pads between the baseplate and the support. All mountings shall have leveling bolts that must be rigidly bolted to the equipment. Spring diameters shall be no less than 0.8 of the compressed height of the spring at rated load. Springs shall have a minimum additional travel to solid equal to 50% of the rated deflection. Isolators shall be provided with a minimum deflection of 2". All rooftop piping to be weather-proofed.

4) All Refrigerant piping shall be provided with 1" insulation for pipe diameter of 1.5" and 1-1/2" insulation thickness for larger pipe sizes.

N. Ventilation.

Ventilation to the public corridors is provided by an air-cooled packaged DX rooftop unit, RTU.

Garage and units are naturally ventilated. Bathrooms have minimum 30 CFM exhausted by roof mounted Pennbarry fans. Kitchens are exhausted by a microwave hood. Dryer exhaust is less than 200 CFM therefore makeup air is not required.

All common spaces, including windowless areas, shall be provided with fresh air from the makeup air unit. Outside air shall be provided at the minimum level:

Residential Corridors	620 CFM

O. Electrical system.

1) Service from main service switchgear (amperes, voltage, phases, wire, protective equipment);

i. Service of the main switchboards are rated for a capacity of 4,000 Amperes, 120/208V, 3 phase, 4 wire system. The main switch gear receives incoming service from PSE&G-LI via underground feeders and vault mounted transformer installed beneath the sidewalk per their service determination. The residential units shall be fed through a utility meter located on the Parking-P2 level. The loads for the Residential Common areas shall be fed from separate distribution panels and will be charged to the house meter. A separate 2500 Amp switch will be provided for the fire pump service. All wires to be used are a combination of copper and aluminum and properly sized to meet individual loads in accordance with National Electrical Code requirements.

2) Service to individual units (risers, etc.);

For Residential Units, individual feeders are to run from designated utility meters to apartment panel. Service size to Residential Units shall be from 125amps circuit breaker. Residential Unit feeders vary in size as required by load and voltage drop in accordance with National Electrical Code. Services to the individual units are rated at 120/280V, 1-phase, 3-wire. All wiring is aluminum. An average of 30 circuit Electrical Panelboard per Residential Unit is provided. All installations will be in accordance with code requirement as listed on drawings. The service to each unit and the associated panelboard is adequate for modern usage and compliant with all applicable codes.

3) Adequacy:

i. Service: There will be a minimum of 30 circuits equipped with circuit breakers for each smaller unit and a minimum of 36 circuits equipped with circuit breakers for each larger unit; which will separate air conditioning and heating equipment, laundry equipment, dishwasher, kitchen appliances, lights and outlets. Electrical wiring shall be standard metal shielded copper BX cable sized appropriately for each specified load. Arc Fault Circuit Interrupters and Ground Fault Circuit interrupters shall be provided as per the latest applicable NEC standards. Tamper-resistant receptacles shall be provided. Water-resistant receptacles shall be installed for exterior use. Three-way switching shall be provided where appropriate within the residential units. Recessed lighting shall be provided within the residential units. The electrical system will be adequate for modern usage.

4) Emergency Power:

a) A base building emergency power plant serving 100 Boardwalk Condominum's life safety and standby loads will be provided utilizing one (1) 350kW/400kVA natural gas engine generator set with frame-mounted radiator and output breakers. This generator will be located at the roof of

the building. Generator capacity and distribution will be provided to serve the following equipment and loads:

(1) One elevator in each bank via selector switches in the elevator starter panel. At maximum operation of two elevators will be provided.

(2) Mechanical systems necessary for toilet exhaust ventilation.

(3) Life safety system and apparatus.

(4) Stair Pressurization Fans

(5) Egress lighting.

(6) Stair and exit lighting.

(7) Fire pumps.

(8) Sump pumps and ejector pumps.

(9) Building fire alarm & security system.

(10) Domestic water booster pumps.

(11) Domestic Hot water heaters and pumps

(12) Concierge Receptacles

(13) 2 corridor receptacles per floor for cell chargers

(14) Floor by floor tele/data closet receptacles

1) Back of House and Exterior Lighting:

Lighting fixtures are provided in storage areas, utility rooms, stairs and hall, and package room with power densities that conforms to the National Electrical Code. Necessary exterior lighting will be controlled by use of time clocks, time switch, and photocells. All outdoor receptacles are specified to be weatherproof and GFI.

P. Telecommunications.

1) Telecommunications

a) Telephone service will be introduced to the building from the telephone/internet providers in one location.

b) The telecommunication system will consist of empty conduit, raceway and/or trough from incoming service frame area to individual outlet boxes for instruments. Empty conduits will be provided from the service entrance to the building telephone room. Two (2) 4" conduits will enter each building at each POE and will be run to a basement equipment room. From each equipment room (4) 4" conduits will run up to the telephone closets.

c) Apartment Telecommunications will consist of telephone, data, and cable jacks distributed throughout each apartment and wired back to a central media panel located in the entry closet. Each media panel will be connected to the nearest building equipment room with a 1" innerduct for fiber optic cable and an RG6 coax cable. Each owner will have a choice of available internet and cable TV providers.

d) No intercom system will be provided between the entrance and individual units. A front desk concierge will notify unit owners of visitors and allow access.

2) Life Safety System

a) The work under this Section will include the furnishing and installation of a complete addressable fire alarm system of the coded, emergency communication system type. Each building will have a stand-alone system. The system will be zone annunciated on the Fire Alarm Control Panel (FACP) and provided with supervised wiring conforming to the NFPA 72.

(1) The system will include, but not be limited to, a fully field programmable, integrated FACP with a color display and remote annunciator at the mechanical control center, fire alarm sending stations, smoke detectors, heat detectors, sprinkler water flow and tamper connections, interface with security and mechanical control systems, visual annunciators (strobes), elevator recall interlock control, municipal fire reporting tie-in equipment, and such other devices as are necessary to make the system operate as required.

(2) The FACP for 100 Boardwalk will be located in the fire command room. The FACP will be provided with all equipment, including visual annunciation and audible signals, as herein specified.

b) A two-way egress communication system shall be provided. Remote call stations shall be provided at elevator lobbies and/or areas of refuge. System shall call to constantly attended area/fire command room and have the capability to call out of the building.

TWO-WAY COMMUNICATION SYSTEM			
Component	Model #	Manufacturer	Warranty
Command Center Cabinet	16 Zone 2500-16RFC	Rath Communications	3 year
Command System Power Supply	RP7700104	Rath Communications	3 year
Command System Supervisor	2500-16SPRVSR	Rath Communications	3 year
Command System Call Box	2400-808NSP	Rath Communications	3 year

3) Lighting

a) Lighting shall be provided with LED fixtures unless equipment or building requirements dictate otherwise.

b) Automatic lighting control shall be provided with occupancy sensors in the interior and small rooms and photocell controlled in areas with daylight. The building lighting controls will be designed to conform with the NY state energy code.

Q. *Public Area Lighting.* All lighting to be ceiling fixtures, general lighting to be LED recessed cans and decorative fixtures to be surface mounted or pendant hang type LED fixtures.

R. *Garages and parking areas.*

Refer to Engineer Report Section G.

S. *Swimming Pool.*

Refer to Engineer Report Section H.

T. *Tennis courts, playgrounds and recreation facilities.*

Refer to Engineer Report Section H.

U. *Permits and certificates.*

See (B)(3) & (B)(4) for certificate of occupancy and permits. Sprinkler alarm to be filed with Fire Department. The sprinkler system must be inspected yearly by a licensed plumber selected by the Condominium. The elevator, which is filed under a separate application with the Department of Buildings, is required to have an annual maintenance inspection by the elevator maintenance company selected by the Condominium. All these inspection reports must be filed with Department of Buildings and all necessary defects corrected.
Permits required are as follows:

Long Beach Department of Buildings:

City of Long beach Construction permit	Required
NCFM Fire Sprinkler Permit	Required
NCFM Fire Alarm permit	Required
NCFM Construction Permit	Required
CLB Electrical permit	Required
CLB Plumbing Permit	Required
CLB Elevator Permit	Required
CLB Site work/ Foundation permit	Required
CLB Sewer Permit	Required
CLB Road Opening permits	Required
NCDOH Pool Permit	Required
CLB Pool Permit	Required
SWPPP – NYSDEC	Required

Recurring Inspections:

- RPZ inspections, each building has multiple RPZ.
- Nassau County Pool

- Public Assembly
- Nassau County Fire Alarm
- Nassau County Fire Sprinkler
- City of Long Beach Elevator
- Generator
- BDA System

V. Violations.

As of the date of the report there are no violations. The work necessary to remove any violations due to individual Sponsor's work that may be issued during construction will be performed prior to the issuance of the permanent certificate of occupancy.

W. Unit information and Measurement.

1) Unit Description

a. For measurement purposes;

i. The approximate Net square foot area of each Unit is measured horizontally Paint to Paint from the Inside face of exterior wall to inside face of corridor or common area wall and inside face of partitions separating one Unit from another Unit.

ii. Columns and mechanical shafts are deducted from measurement of each Unit.

iii. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

iv. Terraces, exterior to the building envelope and complying with parapet and fencing height restrictions set forth in Zoning ordinance, are not subject to inclusion in Unit Net area calculations. Terrace areas are provided separately and not included in Unit Net Areas.

v. No additional FFE shall be provided by the sponsor.

b. Unit Finish Schedule

UNIT FINISH SCHEDULE				
Room	**Floor**	**Base**	**Wall**	**Ceiling**
ENTRANCE HALL:	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED
LIVING / DINING:	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED
KITCHEN:	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED
MASTER BEDROOMS & BEDROOMS:	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED
CLOSETS	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED
MASTER BATHROOMS:	TILE	TILE	TILE & PAINTED GWB	PAINTED
BATHROOMS:	TILE	TILE	TILE & PAINTED GWB	PAINTED
POWDER ROOMS:	TILE	TILE	PAINTED GYPSUM WALL BOARD & TILE	PAINTED
WASHER / DRYER CLOSET	COMPOSITE WOOD	PAINTED WOOD	PAINTED	PAINTED

Note:
1. All painted walls and ceilings will receive interior PVA latex wall primer with 2 coats of paint.
2. Composite Wood Flooring:
   a. Species: European Oak
   b. Grade: Character
   c. Finish: Lacquered
   d. Thickness: ½".
   e. Underlayment: Provent 3mm
   f. Manufacturer: Havwoods International
   g. Model: Bespoke Collection – BP6106 Seana
   h. Warranty: 20 years

Description of units:

Residential Units:

Unit #	Building	Model	Bedrooms	Bathrooms	Powder Rm.	Unit Net Square Footage	**Terrace Square Footage
	100 BOARDWALK						
LANAI LEVEL							
LANAI 1	TOWER A	B-02	2	2	0	1,296	264
LANAI 2	TOWER A	A-02	1	1	0	952	135
LANAI 3	TOWER A	A-01	1	1	1	941	121
LANAI 4	TOWER A	A-04	1	1	1	934	141
LANAI 5	TOWER A	B-03	2	2	1	1,324	205
LANAI 6	TOWER A	A-03	1	1	1	1,010	100
LANAI 7	TOWER A	B-04	2	2	0	1,277	197
LANAI 8	TOWER A	B-04	2	2	0	1,277	525
4TH FLOOR							
401	TOWER A	B-01	2	2	0	1,409	298
402	TOWER A	B-01	2	2	0	1,409	298
403	TOWER A	B-02	2	2	0	1,296	166
404	TOWER A	B-02	2	2	0	1,296	166
405	TOWER A	A-02	1	1	0	952	135
406	TOWER A	A-02	1	1	0	952	135
407	TOWER A	A-01	1	1	1	941	166
408	TOWER A	A-01	1	1	1	941	166
409	TOWER A	B-03	2	2	1	1,324	211
410	TOWER A	B-03	2	2	1	1,324	211
411	TOWER A	B-04	2	2	0	1,277	188
412	TOWER A	B-04	2	2	0	1,277	188
5TH FLOOR							
501	TOWER A	D-01	4	3	0	2,845	596
503	TOWER A	B-02	2	2	0	1,296	166
504	TOWER A	B-02	2	2	0	1,296	166
505	TOWER A	A-02	1	1	0	952	135
506	TOWER A	B-07	2	2	0	1,918	301
507	TOWER A	A-01	1	1	1	941	166
509	TOWER A	B-03	2	2	1	1,324	211
510	TOWER A	B-03	2	2	1	1,324	211
511	TOWER A	B-04	2	2	0	1,277	188
512	TOWER A	B-04	2	2	0	1,277	188

6TH FLOOR							
601	TOWER A	B-01	2	2	0	1,409	298
602	TOWER A	B-01	2	2	0	1,409	298
603	TOWER A	B-02	2	2	0	1,296	166
604	TOWER A	B-02	2	2	0	1,296	166
605	TOWER A	A-02	1	1	0	952	135
606	TOWER A	A-02	1	1	0	952	135
607	TOWER A	A-01	1	1	1	941	166
608	TOWER A	A-01	1	1	1	941	166
609	TOWER A	B-03	2	2	1	1,324	211
610	TOWER A	B-03	2	2	1	1,324	211
611	TOWER A	B-04	2	2	0	1,277	188
612	TOWER A	B-04	2	2	0	1,277	188
7TH FLOOR							
701	TOWER A	B-01	2	2	0	1,409	298
702	TOWER A	B-01	2	2	0	1,409	298
703	TOWER A	B-02	2	2	0	1,296	166
704	TOWER A	B-02	2	2	0	1,296	166
705	TOWER A	A-02	1	1	0	952	135
706	TOWER A	A-02	1	1	0	952	135
707	TOWER A	A-01	1	1	1	941	166
708	TOWER A	A-01	1	1	1	941	166
709	TOWER A	B-03	2	2	1	1,324	211
710	TOWER A	B-03	2	2	1	1,324	211
711	TOWER A	D-02	4	3	0	2,658	376
8TH FLOOR							
801	TOWER A	B-01	2	2	0	1,409	298
802	TOWER A	B-01	2	2	0	1,409	298
803	TOWER A	B-02	2	2	0	1,296	166
804	TOWER A	B-02	2	2	0	1,296	166
805	TOWER A	A-02	1	1	0	952	135
806	TOWER A	A-02	1	1	0	952	135
807	TOWER A	A-01	1	1	1	941	166
808	TOWER A	A-01	1	1	1	941	166
809	TOWER A	B-03	2	2	1	1,324	211
810	TOWER A	B-03	2	2	1	1,324	211
811	TOWER A	B-04	2	2	0	1,277	188
812	TOWER A	B-04	2	2	0	1,277	188

9TH FLOOR							
901	TOWER A	B-01	2	2	0	1,409	298
902	TOWER A	B-01	2	2	0	1,409	298
903	TOWER A	B-02	2	2	0	1,296	166
904	TOWER A	B-02	2	2	0	1,296	166
905	TOWER A	A-02	1	1	0	952	135
906	TOWER A	A-02	1	1	0	952	135
907	TOWER A	A-01	1	1	1	941	166
908	TOWER A	A-01	1	1	1	941	166
909	TOWER A	B-03	2	2	1	1,324	211
910	TOWER A	B-03	2	2	1	1,324	211
911	TOWER A	B-04	2	2	0	1,277	188
912	TOWER A	B-04	2	2	0	1,277	188
10TH FLOOR							
1001	TOWER A	C-01	3	2	1	2,848	1459
1004	TOWER A	B-02	2	2	0	1,296	166
1005	TOWER A	A-02	1	1	0	952	135
1006	TOWER A	A-02	1	1	0	952	135
1007	TOWER A	A-01	1	1	1	941	166
1008	TOWER A	A-01	1	1	1	941	166
1009	TOWER A	B-03	2	2	1	1,324	211
1010	TOWER A	B-03	2	2	1	1,324	211
1011	TOWER A	B-04	2	2	0	1,277	188
1012	TOWER A	B-04	2	2	0	1,277	188
PH LEVEL							
PH-1	TOWER A	B-02	2	2	0	1,296	993
PH-2	TOWER A	B-02	2	2	0	1,296	993
PH-3	TOWER A	B-06	2	2	1	1,779	509
PH-4	TOWER A	B-06	2	2	1	1,779	509
PH-5	TOWER A	B-03	2	2	1	1,324	211
PH-6	TOWER A	B-03	2	2	1	1,324	211
PH-7	TOWER A	B-04	2	2	0	1,277	188
PH-8	TOWER A	B-04	2	2	0	1,277	188
95	**Units**		**165**	**162**	**36**	**120,039**	**22483**

2) Bathroom fixtures and equipment,

Fixtures and Appliances: Subject to Sponsor's right to make substitutions as set forth in the offering plan, the Residential Units will be equipped with the following (or approved equal) fixtures and appliances:

i. Master Bathroom w/Shower:

Toilet: floor mount, (Model: KOHLER, San Souci)
Faucet: Three-hole deck mounted, (KOHLER, Purist)
Lavatory: Undermount basin, (Model: KOHLER, Verticyl)
Shower set: Thermostatic Trim and Volume Control (includes wall mount flange and arm, shower head, hand shower, 2-way diverter control) (Model: KOHLER, Purist, Rite-Temp)
Shower Drain: Square Drain

ii. Master Bathroom w/ Undermount Tub:

Toilet: floor mount, (Model: KOHLER, San Souci)
Faucet: Three-hole deck mounted, (KOHLER, Purist)
Lavatory: Undermount basin, (Model: KOHLER, Verticyl)
Tub set: Pressure Balance, Volume Control, Hand Shower Thermostatic trim (includes tub filler), (Model: KOHLER, Purist, Rite-Temp)
Tub: Undermount bathtub, (Model: KOHLER, Underscore)

iii. Secondary Bathroom Equipment w/shower:

Toilet: floor mount, (Model: KOHLER, San Souci)
Faucet: Three-hole deck mounted, (KOHLER, Purist)
Lavatory: Undermount basin, (Model: KOHLER, Verticyl)
Shower set: Pressure Balance Control (includes wall mount flange and arm, shower head, hand shower, 2-way diverter control with push buttons), (KOHLER, Purist, Rite-Temp)
Shower Drain: Square Drain

iv. Secondary Bathroom Equipment w/tub:

Toilet: floor mount, (Model: KOHLER, San Souci)
Faucet: Three-hole deck mounted, (KOHLER, Purist)

Lavatory: Undermount basin, (Model: KOHLER, Verticyl)
Shower set: Pressure Balance Control (includes wall mount flange and arm, shower head, hand shower, tub spout, 3-way diverter control), (KOHLER, Purist, Rite-Temp)
Tub: Undermount bathtub, (Model: KOHLER, Underscore)

v. Half Bathroom:

Toilet: floor mount, (Model: KOHLER, San Souci)
Faucet: Three-hole deck mounted, (KOHLER, Purist)
Lavatory: Pedestal Bathroom Sink, (Model: KOHLER, Veil)

vi. Staff and Public Restrooms at Lanai Level:

Toilet: wall hung, (Model: KOHLER, Veil)
Urinal: Hybrid high-efficiency (KOHLER, Steward)
Sink: 72" ADA Floating Concrete Ramp Sink (True Form Concrete)
Faucet: Touch-free wall-mounted electronic (Stern Faucet)

3) Kitchen and laundry equipment.

i. Kitchen details, (or approved equivalent per AOR determination);

a. Wood floors: Engineered hardwood.
b. Ceilings: primed and painted, flat finish, Benjamin Moore or equal, Color: Chantilly Lace.
c. Walls: Interior PVA latex wall primer with 2 coats of paint
d. Kitchen Cabinetry: Lacquer finish, drawers, and stainless appliance panels.
e. Drawers to have soft close mechanism.
f. Kitchen islands to have similar finishes.
g. Interior of cabinetry to be veneer.
h. Kitchen Countertops: Granite or Manufactured Synthetic Stone

ii. Fixtures and Appliances: Subject to Sponsor's right to make substitutions as set forth in the offering plan, the Residential Units will be equipped with the following (or comparable) fixtures and appliances:

a. One bedroom: (Unit Types A-01 & A-02)

36” Refrigerator: (Model: BOSCH, B36CT80SNS)
24” Integrated Dishwasher: (Model: BOSCH, SHXM4AY55N)
30” Gas Cooktop: (Model: BOSCH, NGM5058UC)
30” Wall Oven: (Model: BOSCH, HBL5451UC)
30” Under Cabinet Hood: (Model: BOSCH, DUH30152UC)
20” Under Counter Microwave Oven Drawer: (Model: BOSCH, HMB50152UC)
Kitchen Faucet: Single lever mixer, (Model: KOHLER, Purist)
32” Kitchen Sink: (Model: KOHLER, Strive)
Washer and Dryer: *See W3(c): Washers and Dryers by Unit*

b. Two bedrooms: (Unit Types B-01, B-02, B-03, B-04, B-06 & B-07)

36” Refrigerator: (Model: BOSCH, B36CT80SNS)
24” Integrated Dishwasher: (Model: BOSCH, SHXM4AY55N)
30” Gas Cooktop: (Model: BOSCH, NGM5058UC)
30” Under Cabinet Hood: (Model: BOSCH, DUH30152UC)
20” Under Counter Microwave Oven Drawer: (Model: BOSCH, HMB50152UC)
30” Wall Oven: (Model: BOSCH, HBL5451UC)
Kitchen Faucet: Single lever mixer, (Model: KOHLER, Purist)
32” Kitchen Sink: (Model: KOHLER, Strive)
Washer and Dryer: *See W3(c): Washers and Dryers by Unit*

c. Three bedrooms: (Unit Types C-01)

36” Refrigerator: (Model: BOSCH, B36CT80SNS)
24” Integrated Dishwasher: (Model: BOSCH, SHXM4AY55N)
30” Gas Cooktop: (Model: BOSCH, NGM5058UC)
30” Under Cabinet Hood: (Model: BOSCH, DUH30152UC)
30” Under Counter Microwave Oven Drawer: (Model: BOSCH, HMB50152UC)
30” Wall Oven: (Model: BOSCH, HBL5451UC)

Kitchen Faucet: Single lever mixer, (Model: KOHLER, Purist)
32” Kitchen Sink: (Model: KOHLER, Strive)
Washer and Dryer: *See W3(c): Washers and Dryers by Unit*

d. Four bedrooms: (Unit Types D-01 & D-02)

36” Refrigerator: (Model: BOSCH, B36CT80SNS)
24” Integrated Dishwasher: (Model: BOSCH, SHXM4AY55N)
30” Gas Cooktop: (Model: BOSCH, NGM5058UC)
30” Under Cabinet Hood: (Model: BOSCH, DUH30152UC)
30” Under Counter Microwave Oven Drawer: (Model: BOSCH, HMB50152UC)
30” Wall Oven: (Model: BOSCH, HBL5451UC)
Kitchen Faucet: Single lever mixer, (Model: KOHLER, Purist)
32” Kitchen Sink: (Model: KOHLER, Strive)
Washer and Dryer: *See W3(c): Washers and Dryers by Unit*

e. Washers and Dryers by Unit: All washers and dryers are front loading unless otherwise noted

	27” WIDTH		CONFIGURATION	
APARTMENT UNIT	WASHER MANUF: WHIRLPOOL MODEL: WFW560CHW	DRYER (ELECTRIC, VENTED) MANUF: WHIRLPOOL MODEL: WED560LH	STACKED	SIDE BY SIDE
A-01	●	●		●
A-02	●	●	●	
A-03	●	●		●
A-04	●	●		●
B-01	●	●		●
B-02	●	●		●
B-03	●	●		●
B-04	●	●		●
B-06	●	●		●
B-07	●	●		●
C-01	●	●		●
D-01	●	●		●
D-02	●	●		●

iii. Each residential unit will have washers and dryers as indicated in the above schedule. There will be a total of 95 residential washers and 95 residential dryers located in residences.

X. Finish Schedule for Common Spaces

FINISH SCHEDULE FOR COMMON SPACES					
LEVEL	**LOCATION**	**FLOOR**	**BASE**	**WALLS**	**CEILING**
LANAI LEVEL	CO-WORKING	CARPET	WOOD	WALL COVERING, LAMINATE	PAINT
	TRAINING ROOM	WOOD	WOOD	PAINT	PAINT
	SAUNA	CONCRETE TILE	N/A	CONCRETE TILE	PAINT
	GYM	WOOD, RUBBER	WOOD, RUBBER	PAINT, WALLCOVERING	PAINT
	CORRIDOR A	CARPET	WOOD	PAINT, WALLCOVERING	PAINT
	ELEVATOR CABIN	TILE	METAL	METAL, LAMINATE	PAINT
	MAIL A	TILE	WOOD	PAINT, LAMINATE	PAINT
	WC	CONCRETE TILE	N/A	CONCRETE TILE	PAINT

Y. Safety and warning devices

1) Hard wired 120-volt carbon monoxide and smoke detection devices are installed in each Residential Unit as per National Electrical Code Requirement.
2) Combination carbon monoxide and smoke detection devices are also installed in the Parking Level.
3) Emergency Power: There is an emergency generator located in the bulkhead.

Z. Additional information required.

1) See attached floor plans for each type of unit indicating room dimensions, total areas, unit boundaries and the relationship of units to each other. Floor plans shall include room or space designations that conform to those on approved documents or applicable building code designations.

2) Floor to Ceiling Heights of Units;
Exclusive of dropped ceiling areas at kitchens, bathrooms, halls, soffits, mechanical equipment including duct and plumbing elements and structural offsets, boxout structural beams, ceiling heights located in residential units in the building range as follows:

Lanai Level: (Plaza Deck) Approximately 8'-6" to 10'-0"
4th Level - 10th Level: Approximately 8'-0" to 9'-6"
PH Level: Approximately 8'-6" to 10'-0"

CC. Asbestos

1) Not present, as it is new construction.

DD. Lead-based paint

1) Not present, as it is new construction.

FF. *Transfer Documents:* The following documents shall be transmitted to the condominium management upon transfer of control:

1) Final as built drawings; e.g. structural, mechanical, electrical, plumbing approved shop drawings
2) Operation and Maintenance manuals for mechanical equipment
3) Electronic system manual
4) Equipment warranties
5) NDL Manufacturer's roof warranty
6) Major equipment start-up sheets
7) Control System as-built
8) Original Test and Balance Report for HVAC System
9) Programming Contracts for branded amenity spaces, as applicable

[SIGNATURE PAGE TO FOLLOW]

Sponsor reserves the right, in its sole discretion, to replace, including but not limited to, any or all materials, fixture, appliances or other items stated in this report with those of equal or better quality as determined by AOR or EOR of Project as applicable.

Sign _____

Date 7-24-2023

Seal



NELSON + POPE
engineers • architects • surveyors

ENGINEER'S PROJECT DESCRIPTION

EXHIBIT B

100 Boardwalk Condominium

July 18, 2023

NELSON + POPE JOB No. 15053



Thomas C. Dixon, P.E.
Nelson + Pope
70 Maxess Road
Melville, New York 11747

Phase II
100 Boardwalk Condominium ("Condominium II")

A. LOCATION

1. Condominium II is situated in the City of Long Beach, Nassau County, New York. It is bordered on the south by the Boardwalk (a City owned and maintained boardwalk) and the Atlantic Ocean; on the west by Riverside Boulevard (a City owned and maintained roadway); on the east by The Boardwalk Long Beach Homeowners Association, Inc. ("HOA") common areas, 140 Boardwalk Condominium ("Condominium I"), a proposed multi-family rental building, and Long Beach Boulevard (a City owned and maintained roadway); and on the north by Broadway (a City owned and maintained roadway).

   The site currently has the following Nassau County Tax Map Designations:

Use	Section	Block	Lots
Condominium II Units	59	116	p/o 39

2. Front Street (Shore Road) formerly bisected the property and runs between Riverside Boulevard to the west and Long Beach Boulevard to the east. This formerly City owned and maintained roadway was discontinued by the City Council of the City of Long Beach on July 21, 1998, Resolution No. 196/98, Item No. 6.

B. SITE

1. The property is zoned Residence Business A.

2. Condominium II consists of 95 condominium dwelling units in a single 9 story building situated above two (2) levels of parking garage.

3. Phase I of the project consists of Condominium I and HOA common areas. Condominium I consists of 97 dwelling units in a single 9 story building situated above two (2) levels of parking garage. Condominium I also includes 2 condominium retail/non-residential units located on level 2 of the parking garage and fronting the public Boardwalk. Phase II of the project is Condominium II consisting of 95 condominium units in a single 9 story building situated to the west of Phase I and also situated above the two (2) levels of parking garage.

Condominium II Parcel	Phase II Total
0.597 Acres	0.597 Acres

4. Each residential unit owner within the Phase II project will be a member of the Condominium II and a member of the HOA.

5. Site access will be from Broadway and an entrance ramp located on the adjacent property to be developed as a multi-family rental building. An access easement will be granted to Condominium II and the HOA by the adjacent property owner. Access to garage level 1 will also be provided from Riverside Boulevard at street level.

6. The HOA is responsible for 50% of the maintenance and snow removal costs for the entrance ramp and walks from Broadway located on the adjacent property.

7. Completion of Phase II of the project will be approximately August 1, 2024.

8. Refer to Architect's report for approvals and permits required for construction of the Phase II project.

9. HOA common areas will contain two (2) levels of parking garage, refuse rooms, mechanical rooms, electrical/utility rooms, stairwells, elevators, storage rooms, exit corridors, a lobby and amenity space, first floor level outdoor amenities and passenger loading zones and parking stalls, roadways, driveways, sidewalks, and drainage facilities including two (2) stormwater vaults and will be made available to the Homeowners in Phase II of the project. HOA common areas will also contain the area between the building and property line abutting Broadway and Riverside Boulevard at street level consisting of walks from building egress doors, landscaping, underground utilities and services, and a vehicular entrance to the garage level 1.

10. Project common property areas, facilities, and improvements including the first floor level outdoor amenities will be owned by the HOA. The HOA will be responsible for maintenance of all common property. The common area facilities and improvements will be available to Condominium I and II and will include:

    a. A main lobby and lounge with indoor amenity spaces. Refer to Architect's report for detailed description.

    b. An outdoor swimming pool with lap lanes, a sun shelf, cabanas, outdoor café, and a conversation pool, an outdoor spa, and lounge areas, fitness area, outdoor gas barbecue stations, a beach overlook lounge, outdoor lounge areas with firepits, synthetic lawn area, a pickle ball court, a dog run, and a passenger drop-off area. Refer to Outdoor Amenities section below for additional description.

    c. Roadway, driveway, sidewalks and curbing materials will be decorative concrete.

    d. Site and roadway lighting will be provided as shown on the Landscape Plan prepared by Melillo + Bauer Associates dated January 13, 2023.

    e. Snow removal for roadways, driveways, parking areas, passenger drop-off area, first floor level outdoor amenities and common area walks will be provided by an outside contractor pursuant to an agreement with the HOA.

f. Irrigation will be installed in all landscaped areas. The HOA shall be responsible for all costs associated with common area irrigation, including maintenance and irrigation water usage in both the Condominium II and HOA parcels.

g. Power, telephone, cable television and utility companies will have perpetual access easements over Condominium II and other HOA common areas for access and maintenance of the utilities, facilities, services, appurtenances and meters.

h. The HOA will pay all costs associated with the maintenance and upkeep of HOA owned common property and improvements.

i. An outdoor staircase and ramp are provided for pedestrian access between the retail units and the boardwalk.

j. The area between the building and property line abutting Broadway and Riverside Boulevard will be landscaped in accordance with the Landscape Plan prepared by Melillo + Bauer Associates, all to be installed by the Sponsor and maintained by the HOA.

k. The drainage system including trench drains, roof and terrace drains, piping and two (2) stormwater vaults located in the parking garage, all to be installed by the Sponsor and maintained by the HOA.

l. Curbs, walkways, driveways, roads and other flatwork damaged during the construction process will be patched or replaced, at the option of the Sponsor. Due to the nature of the materials used and the construction process, patched and replaced curbs, walkways, driveways, roads and other flatwork may not match the original color or texture.

m. All common property will be part of either the HOA or Condominium II. However, the HOA will be responsible for maintenance of all common property.

11. A portion of the adjacent rental property stormwater vault and Garage Floor 2 parking is in the HOA common area. An easement will be provided to the adjacent rental property owner. The maintenance costs for these facilities are the responsibility of the adjacent rental property owner.

C. SUBSURFACE SOIL CONDITION

1. The Sponsor will be constructing in accordance with the minimum recommendations of the Geotechnical Engineering Report for Shore Road – Long Beach Superblock, prepared by Langan Engineering, Environmental, Surveying and Landscape Architecture D.P.C. dated October 11, 2013 and the March 10, 2016, March 6, 2020, and December 23, 2020 Langan technical memorandums and letter dated November 17, 2021.

2. If developed in conformance with the City and County approved project development plans and in conformance to the local building code, there will not be any groundwater conditions that will produce moisture or seepage into the buildings.

3. Construction of the site grading and drainage system in conformance with the City and County approved project development plans will result in little danger from flooding, either due to the groundwater elevation or stormwater runoff from the finished ground surface to the individual units. There is little danger from mudslides and erosion.

4. The current Flood Insurance Rate Map (FIRM) for the City of Long Beach, published by the Federal Emergency Management Agency (FEMA), is Community Panel No. 36059C0308G, revised to reflect LOMR, effective April 5, 2023. The site is within Flood Hazard Zone AE, "areas subject to inundation by the 1-percent-annual-chance flood event (100-year flood)". The Base Flood Elevation (BFE) for the site is 15. The Building Code of New York State and the City of Long Beach Building Code requires the lowest floor elevated to or above 2 feet above the BFE. Therefore, the Design Flood Elevation (DFE) for the proposed building is elevation 17. The proposed elevation of the lowest floor is 20 and therefore complies with requirements. In addition, prior to the Closing of Title to the first Residential Unit, the Condominium will have in place a flood insurance policy through the National Flood Insurance Program (NFIP) Flood Insurance Residential Community Building Association Policy (RCBAP) Program, which policy complies with all FEMA flood insurance requirements. A Letter of Map Revision (LOMR) application was submitted by the Sponsor to FEMA requesting that the flood zone designation for the site be changed to AE 15. FEMA issued a LOMR Determination on October 5, 2022, confirming that the requested revision to the map is warranted and indicating that the revision is effective as of April 5, 2023.

5. A Phase I Environmental Site Assessment and Remedial Plan for the property dated March 2020 was prepared by FPM Group (FPM) and submitted to the Nassau County Department of Health (NCDOH) indicating that the property was underlain by up to 14 feet of fill material consisting of sand with construction and demolition (C&D) materials, including concrete, brick, asphalt, and rock. The fill contained some semi volatile organic compounds (SVOCs) and metals that, in some cases, exceeded the New York State Department of Environmental Conservation (NYSDEC) Soil Cleanup Objectives (SCOs) for the planned use of the property (restricted residential use). The fill was not impacted by any volatile organic compounds (VOCs), pesticides, or polychlorinated biphenyls (PCBs) above the SCOs for the property use. Native soil that consists of sand with natural materials was present beneath the fill. The native soil was tested and none of the detections exceeded the SCOs for the property use. Groundwater testing performed at multiple locations on the property revealed no issues of concern. Soil vapor sampling data from multiple locations on the property was evaluated with respect to New York State Department of Health (NYSDOH) guidance and it was concluded that soil vapor intrusion does not present a concern. Additional soil and soil vapor testing were performed pursuant to an October 21, 2020 work plan prepared by FPM and approved by NCDOH on November 4, 2020. The investigation procedures and results are documented in a December 28, 2020 Soil and Soil Vapor Investigation Report and Remedial Plan prepared by FPM and submitted to the NCDOH. The Remedial Plan included measures to remove and properly dispose of all materials that exceeded the SCOs for the planned use of the property and installation of a vapor barrier beneath the building. The NYSDEC subsequently took jurisdiction over the remedial activities involving soil. Detailed procedures for soil management and disposal were included in an October 2021 Remedial Plan for the property prepared by FPM and approved by the NYSDEC on October 25, 2021. This Remedial Plan was successfully implemented during construction with oversight by FPM and the NYSDEC, and resulted in removal

of all the materials that exceeded the SCOs for the property use. Post-excavation testing confirmed that the remaining soil, which is nearly entirely native, does not exceed any of the SCOs for the use of the property. The remedial procedures and results were documented in an August 2022 Remedial Report prepared by FPM and certified by a New York State-licensed Professional Engineer (PE). The Remedial Report was approved NYSDEC by letter dated October 3, 2022. A vapor barrier and sub-slab depressurization system (SSDS) were installed during construction under the oversight of FPM, with notification to NCDOH and will be certified by a NYS-licensed PE upon completion in accordance with the December 2020 Remedial plans approved by the NCDOH. Post-construction testing will be conducted under NCDOH oversight.

6. Sub-slab depressurization systems (SSDSs) and related appurtenances have been installed beneath the on-grade floor of the lower level of the parking garage beneath the buildings solely as a precautionary measure to mitigate any potential soil vapor intrusion (SVI), if present. Each SSDS includes sub-slab slotted Schedule 40 piping that is set in a bed of gravel and connected to a discharge stack of solid Schedule 40 PVC piping that exits the building above the roof. An electric fan (Fantech Rn3 inline radon fan) is planned to be installed in each stack above the roof level and is designed to operate 24/7 with no maintenance. These fans have a 5-year warranty for any factory defect in workmanship or material. Maintenance requirements for SSDSs are minimal and include an annual inspection and screening of the effluent.

   Monitoring points are installed in the on-grade garage floor to allow for pressure testing and SVI testing. SVI testing will be performed following building construction to determine is SSDS operation is necessary. If SVI is not present following completion of building construction, SSDS operations may be terminated with Nassau County Department of Health ("NCDOH") approval.

   If necessary, the Association will contract with a qualified environmental / engineering consulting firm for SSDS operation, inspections and maintenance in accordance with the October 5, 2021 Maps of Isla Blu Condominiums Phases I and II approved by the NCDOH, with the results reported to the NCDOH.

D. UTILITIES

1. Public sewer and water main improvements are proposed to service the project. The improvements generally consists of abandoning and relocating the existing sanitary sewer and water main located on the property in the former and now abandoned Front Street (Shore Road). A new 12 inch PVC (SDR – 35) sanitary sewer main will be installed in Broadway to service the project. A new 20" water main will be installed in Broadway and the existing water mains on Long Beach Boulevard and Riverside Boulevard will be looped. Two (2) new fire hydrants are proposed on Broadway, one (1) on Riverside Boulevard, and one (1) on Long Beach Boulevard. There is one (1) existing fire hydrant on Broadway.

2. Water will be provided by the City of Long Beach Water Department. Water main service connections will be made to the proposed 20 inch ductile iron pipe water main in Broadway. There will be one fire service connection and one domestic water service connection to the proposed building from the City of Long Beach water main. Domestic water service will be metered and payment for water made by the HOA. The individual water services from the main

to the building will be maintained by the HOA. The fire service will be 6 inch ductile iron pipe to the building and the domestic service will be 6 inch ductile iron pipe to the building. Individual building fire and domestic water services each will have a curb stop located behind the curb. It is the obligation of the City of Long Beach Water Department to supply water at an adequate flow and pressure. A letter of water availability was issued by the City of Long Beach on June 7, 2021.

3. The building will be connected to the City of Long Beach sanitary sewer system by means of a building service connection. The building service connection will be to the proposed 12 inch PVC (DR-18) sanitary sewer main in Broadway. There will be one 10 inch ductile iron pipe building service connection. The sanitary sewer main in Broadway will be owned and maintained by the City of Long Beach and the building service connection will be owned and maintained by the HOA. A letter of sewer availability was issued by the City of Long Beach on June 7, 2021.

4. Electric service will be provided and maintained by PSEG Long Island. Gas service will be provided by National Grid. Telephone service will be provided by Verizon and Cablevision as available. The community will be pre-wired for cable television by Verizon and Cablevision as available and can be connected at the Condominium expense. Electricity, gas, optional cable television and telephone charges for each unit will be an individual expense of each homeowner. Electricity, gas, water, telephone, and cable television for the HOA owned common areas and facilities will be a common expense paid for by the HOA.

5. All utility charges, including common area irrigation, for the HOA owned common facilities and improvements will be paid for by the HOA.

6. Perpetual easements for all utilities will be provided across condominium and common areas as required. Homeowners and the HOA are prohibited from the construction of improvements within these easements, including, but not necessarily limited to, decks, patios, walkways, sheds and landscaping, unless approved by the utility companies.

E. STORMWATER DRAINAGE

1. The stormwater drainage system design was reviewed and approved by the City of Long Beach and Nassau County Department of Public Works as part of the subdivision review process and is thus adequate to meet their requirements. The stormwater drainage system consists of trench drains, roof and terrace drains, piping and two (2) stormwater vaults located in the parking garage. The trench drains are located in the passenger drop-off and parking area near the main lobby entrance and alongside the pickle ball court. The trench drain grate complies with ADA and the material is decorative ductile iron. Refer to Architect's Report for material, type and location of the roof and terrace drains. The two stormwater vaults are located between garage level 1 and 2. The vault walls are constructed of concrete with open sand bottoms for infiltration of stormwater. Access to the vaults is from access hatches located in the garage level 2 floor. All surface runoff is designed to be directed away from the building and individual units and other structures where it will then be collected in trench drains, roof and terrace drains, and piped to the two (2) stormwater vaults. The drainage system, including the two (2) stormwater vaults will be owned and maintained by the HOA.

2. The stormwater vaults are connected to the adjacent rental building property stormwater vaults to allow for additional storage capacity and equalization of the drainage systems before overflowing to the City of Long Beach stormwater collection system. The total combined storage capacity of the vaults is approximately 99,000 cubic feet and is designed for storage of the 5-inch rainfall event. A portion of the adjacent rental property stormwater vault is in the HOA common area. An easement will be provided to the adjacent rental property owner. The maintenance costs for these facilities are the responsibility of the adjacent rental property owner.

3. Perpetual drainage easements to the HOA will be provided as required across Condominium II common areas. Homeowners are prohibited from the construction of improvements, including but not limited to decks, patios, walkways, sheds and landscaping, within the easements.

F. REFUSE DISPOSAL

1. Each homeowner will be responsible to place their refuse within the refuse collection areas located throughout the building and community facilities and common areas. Refuse will be managed in two (2) refuse termination rooms located on garage level 1. One of the rooms will service Condominium I and the other room will service Condominium II. There will be two (2) trash compactors in each of the refuse termination rooms. The refuse will be moved from the refuse termination rooms to the refuse holding rooms for collection by a private carter. Refuse collection will be by curbside pick-up at the refuse holding room located on Riverside Boulevard. The HOA will be responsible for the management of refuse, maintenance of the refuse facilities and common area refuse charges. Each homeowner will be charged via the HOA for the pro-rata share of these costs.

G. PARKING AREAS

1. A two (2) level parking garage will provided below Condominium I, the HOA common areas, and Condominium II. Construction of the parking garage will be completed prior to the closing of title to the first unit in the Condominium.

2. A total of 461 parking stalls are provided in the two (2) level parking garage for the units. The parking stalls will be subject to license agreement between the unit owners and the Board of Directors of the Association. 175 parking stalls are required by zoning for Condominium I and 180 parking stalls for Condominium II. Parking garage level 1 will contain 189 standard stalls, 4 compact stalls, 54 tandem stalls (one car parked in front of another car), and 5 accessible stalls for a total of 252 stalls. Parking garage level 2 will contain 173 standard stalls, 32 tandem stalls, and 4 accessible stalls for a total of 209 stalls. Parking is unattended.

3. The standard parking stalls will be 9’ x 20’, the compact stalls will be 9’ x 16’, the tandem stalls will be 9’ x 40’, and the accessible ADA stalls will be 9’ x 20’.

4. A total of 22 electric vehicle parking stalls will be provided.

5. Access to parking garage level 1 will be from the Broadway entrance access ramp located on the adjacent property proposed for development as a multi-family rental building and a Riverside Boulevard street level entrance. Access to parking garage level 2 will only be from the Broadway entrance access ramp.

6. Parking is provided on the building first floor level near the main lobby entrance and passenger loading area and consists of 4 standard stalls and 2 accessible stalls for a total of 6 stalls.

7. The two (2) level parking garage and parking area on the building first floor level is provided for Condominium I and Condominium II. Each residential unit owner will license one (1) parking space for their exclusive use pursuant to a separate license agreement. Unlicensed parking spaces may be licensed to a unit owner at an additional license expense. So that all Tandem Parking Space Licenses will always have access to their Tandem Parking Space, Tandem Parking Spaces licensed to the Unit Owners will only be licensed in sets of two (2) Tandem Parking Spaces.

8. The parking garage will be open air and no mechanical ventilation.

9. Access to the parking garage will be access controlled with remote access garage doors.

10. The garage / parking surface will be concrete with area floor drains.

11. The HOA will be responsible for maintenance and repair of the parking garage, remote access garage doors, parking areas, roadways, and driveways, including the removal of snow.

H. OUTDOOR AMMENITIES

1. The HOA will own and maintain the outdoor amenities within the common areas, all of which will be available to Condominium II.

2. Outdoor amenities will include an outdoor swimming pool with lap lanes, a sun shelf, and a conversation pool, an outdoor spa, cabanas, outdoor café and lounge areas, fitness area, outdoor barbecue stations, a beach overlook lounge, outdoor lounge areas with firepits, synthetic lawn area, a pickle ball court, a dog run, and a drop-off area.

    a. The outdoor pool is located in the southwest corner on the podium level. The outdoor pool will consist of a total of 2,246 SF divided amongst a swimming pool, a sun shelf, and a conversation pool. The swimming pool will have a depth of 3’-6” to 4’-8”. The pool will consist of two (2) lanes for lap swimming and an area for free swimming. The sun shelf will consist of an area with a water depth of +/-8”. The conversation area water depth will be 3’-6” with an underwater seating ledge built-in to the pool wall. No diving facilities are to be provided. The pool will be ADA-accessible via a wheelchair lift according to code. The maximum number of pool bathers is 149. The maximum number of occupants permitted by code in the pool areas and pool deck is 167.

    The pool will be gunite construction. The decking provided around the pool will consist of a concrete paver and pedestal system appropriate for rooftop applications. The pool is

enclosed on the east and northeast by a 6' high fence, the north by a combination of 6' high fence and building, and the south and west by a 42" high parapet railing. Self-closing and self-latching gates are provided on the north, northeast and east sides of the pool enclosure.

The pool equipment consists of one 5-hp recirculation pump, two high-rate sand filters, stainless steel gutter perimeter system with integral returns, town peristaltic pumps for chemical feed, six salt generators with two power supplies, and one 400k btu/hr pool heater.

There will be a 12' x 12' spa located in the pool area. The depth of the spa will be 3'-6" with finishes similar to the pool. The maximum number of spa bathers is 14.

The spa equipment consists of one 3-hp recirculation pump, one high-rate sand filter, two jet pumps, two 3-hp air blowers, two peristaltic pumps for chemical feed, five salt generators with one power supply, and one 400k btu/hr pool heater.

b. Within the pool enclosure there will be 9 cabanas. The overall dimensions of each cabana are 12'-0" x 14'-8" (outside dimensions). Each cabana is equipped with one 55" outdoor television, one 2'-6" x 7'-0" long granite counter with sink (hot and cold water), mini refrigerator (stainless steel), ice maker (stainless steel), overhead lighting, privacy curtains with tie backs, concrete pavers on pedestals appropriate for a rooftop application, and one convenience outlet. Cabanas will be available to residential unit owners for their exclusive use pursuant to a separate license agreement.

c. The outdoor café will consist of a +/-1,350 SF area. The area will be elevated 12" above finished floor elevation and will be accessible via a sloped walk and stairs. The ground material of the outdoor cafe will consist of a combination of wood paver on pedestals and a concrete paver on pedestals. The outdoor cafe area will include unattached seating and tables. There will be a canopy roof above the outdoor café.

d. The outdoor lounge area will consist of an +/-620 SF area. The ground material of the outdoor lounge area will consist of a concrete paver on a pedestal system appropriate for rooftop applications. The outdoor lounge area will include attached and unattached seating, planters, and other seating elements.

e. The outdoor fitness and yoga area consist of +/-588 SF with a ground material of a poured-in-place play surface. The fitness area will not contain any equipment or furnishings.

f. There will be five (5) outdoor private gas barbecue stations. Each station will consist of an area of +/- 240 SF and will include one (1) gas barbecue grill and one (1) sink, set into a counter with 34" height. The gas barbecue stations and cooking equipment will be ADA-accessible. The gas barbecue grills will include an emergency shut-off switch. Each gas barbecue station will include overhead lighting and a minimum of two (2) GFCI outdoor electrical outlets. Above the gas barbecue area will be a shade trellis. The ground material

of the gas barbecue stations will be a concrete paver and pedestal system appropriate for rooftop applications.

g. The beach overlook area will consist of a +/- 600 SF area that overlooks the public boardwalk to the south of the site. The beach overlook will be partially enclosed along the boardwalk side by a minimum 42" high parapet railing. The ground material of the beach overlook will be a decorative paving appropriate for rooftop applications. The beach overlook will include unattached outdoor lounge furniture.

h. There will be outdoor fire tables available for use by the residents. Fire tables will be gas-fueled and have a centrally located emergency shut-off switch placed at a location suitable to regulate fire table use and provide safe operation. The fire table areas will include unattached outdoor lounge furniture.

i. The lawn area will consist of a synthetic lawn system appropriate for rooftop applications.

j. The pickle ball court will consist of a playing court with typical court surfacing. The pickle ball court will include a removable sports net and will be enclosed by a perimeter fence.

k. A dog run is available to residents and will consist of a synthetic lawn surface. The dog run area will contain two (2) separate areas, one (1) for large dogs and one (1) for small dogs. The dog run will be enclosed by a perimeter barrier on all sides.

l. The drop-off and entry area will contain a drop-off porte cochere with a canopy roof, two (2) ADA-accessible parking spaces. The ground material will consist of stamped / colored concrete.

m. Several elements are used to create separation between the outdoor amenity areas. 6'-0" fences and gates are used to separate the pool area from all other areas per code requirements. All other areas are connected via a series of walkways and open paved areas. Planting and 8" height concrete curbs are used to create an edge around other programmatic elements. The planting creates visual barriers but is not intended to be a physical barrier between programs. In areas where a unit's private terrace meets the share amenity spaces, low walls and fences are used along with planting to separate the uses. For additional information on separation of amenity areas and fencing please refer to Section J.5 below.

n. The maximum number of occupants permitted by code at the outdoor amenity areas is 170.

I. MAILBOXES

1. Mail delivery will be by the U.S. Postal Service. The Sponsor will install a mail room with the common building area. The HOA will be responsible for operation and maintenance of the mail room. The mail room will be located on an accessible route and will comply with accessibility requirements.

J. LANDSCAPING AND ENCLOSURES

1. The Sponsor will provide landscaping of the HOA common areas in accordance with the Landscape Plan prepared by Melillo + Bauer Associates dated January 13, 2023.

2. Lush plantings have been proposed along the streetscape and podium deck. The selected plantings are a mix of ornamental grasses, perennials, deciduous trees, and evergreen trees along with areas of annual plantings that will bring additional seasonal interest to the development. The selected plantings are species and varieties that are known to thrive in beach front environments. Refer to Drawings L-100, L-101, and L-102 landscape plans for specific species and locations.

3. In the event plantings specified on the Landscape Plan prepared by Melillo + Bauer Associates are not available, the Sponsor may substitute plantings of comparable species, size and quality.

4. Maintenance of the landscaping and turf areas in the common areas will be the responsibility of the HOA.

5. All fences and gates for the project will be constructed of aluminum with a powder coated finish. The fences consist of a top rail (1 ¾" x 2") and bottom rail (2"x2") and a 2"x2" wire mesh infill. The fences and gates are intended to match the materials and design of the balcony railings on the architecture. Fences and gates around the pool are 6'-0" or greater in height. The fence around the dog run is 4'-0" in height and sits atop a 2'-0" height wall. The fence around the pickleball court is 6'-0" in height and sits atop a 2'-0" height wall along the north side (along East Broadway) and 4'-0" in height atop a 2'-0" height wall along the south and west sides. The east side of the pickleball court has a shared wall 10'-0" in height with an ipe wood finish that separates the pickleball court and dog run.

K. COMPLIANCE WITH FEDERAL AND STATE ACCESSIBILITY REQUIREMENTS

1. Access to all ground floor units and units with elevator access will be compliant with the accessibility requirements of the U.S. Fair Housing Act and the New York State Building Code.

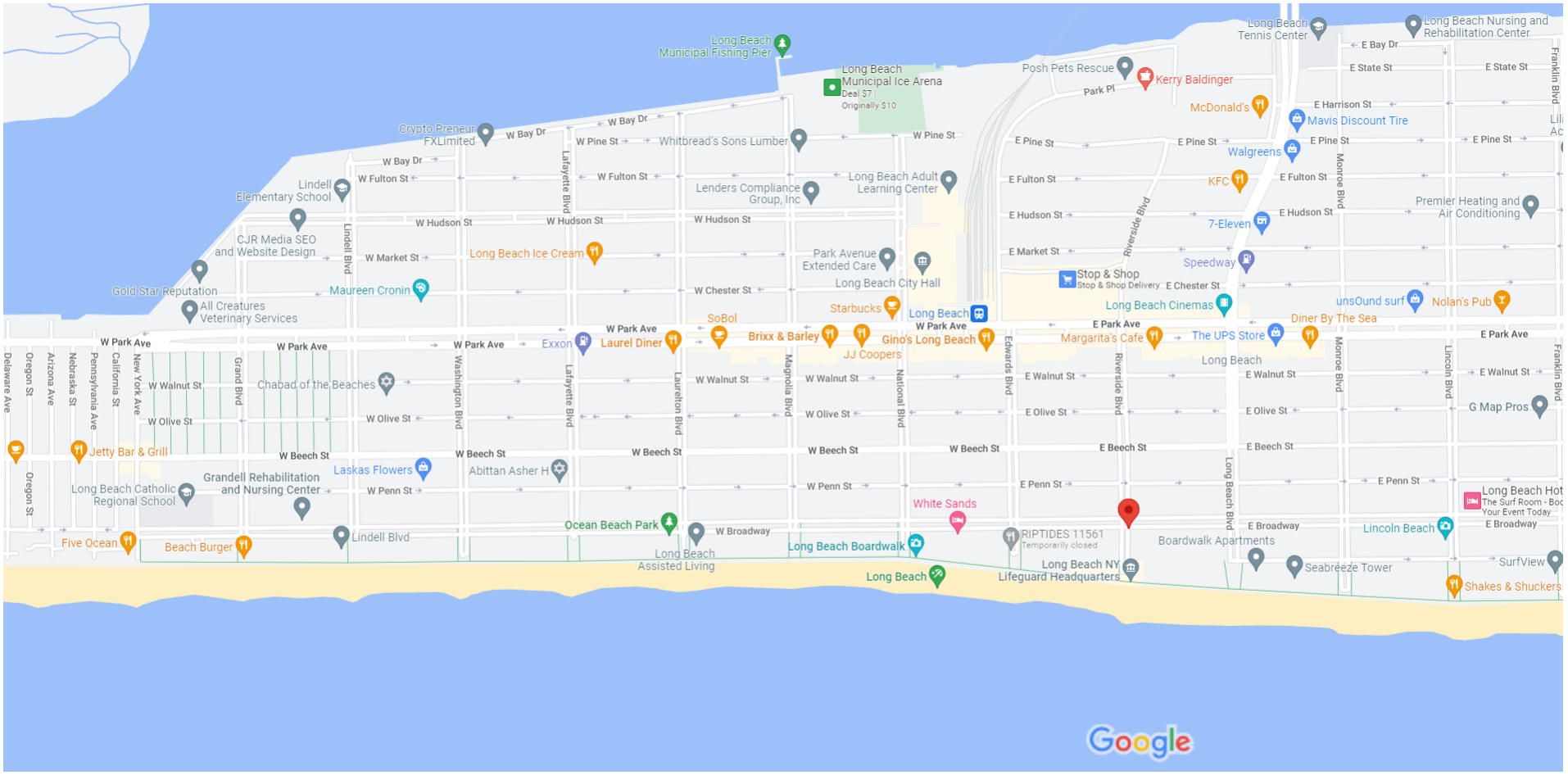
2. Access to all common facilities and areas including the first-floor level outdoor amenities will comply with the accessibility requirements of the Americans with Disabilities Act (ADA), U.S. Fair Housing Act and the New York State Building Code.

3. A minimum of one accessible route will be provided from all the required accessible units and accessible parking stalls to the common facilities and areas and to Broadway or Riverside Boulevard.

SCHEDULE G-1

AREA MAP

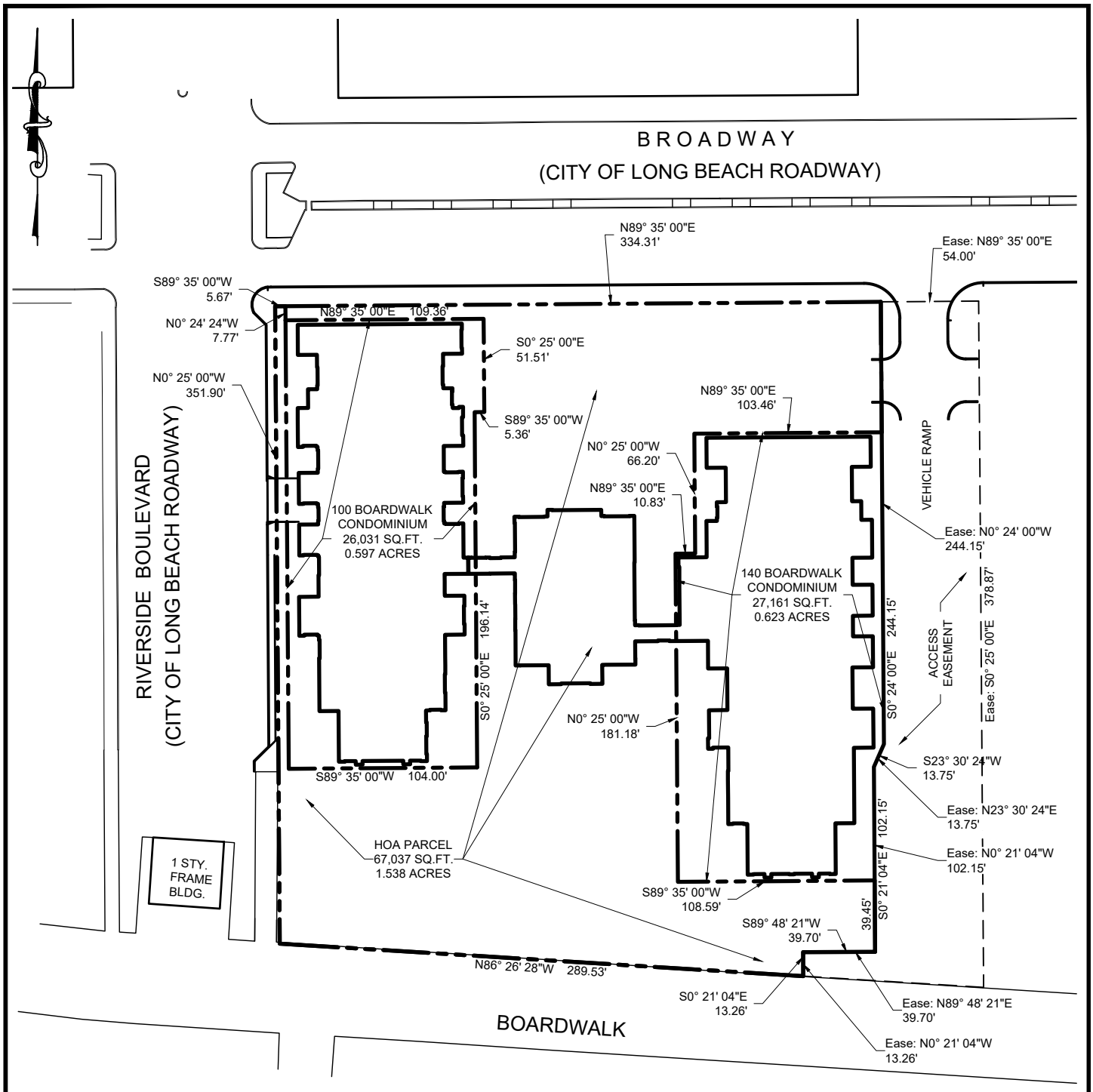
Google Maps 100 E Broadway



Map data ©2022 500 ft

SCHEDULE G-2

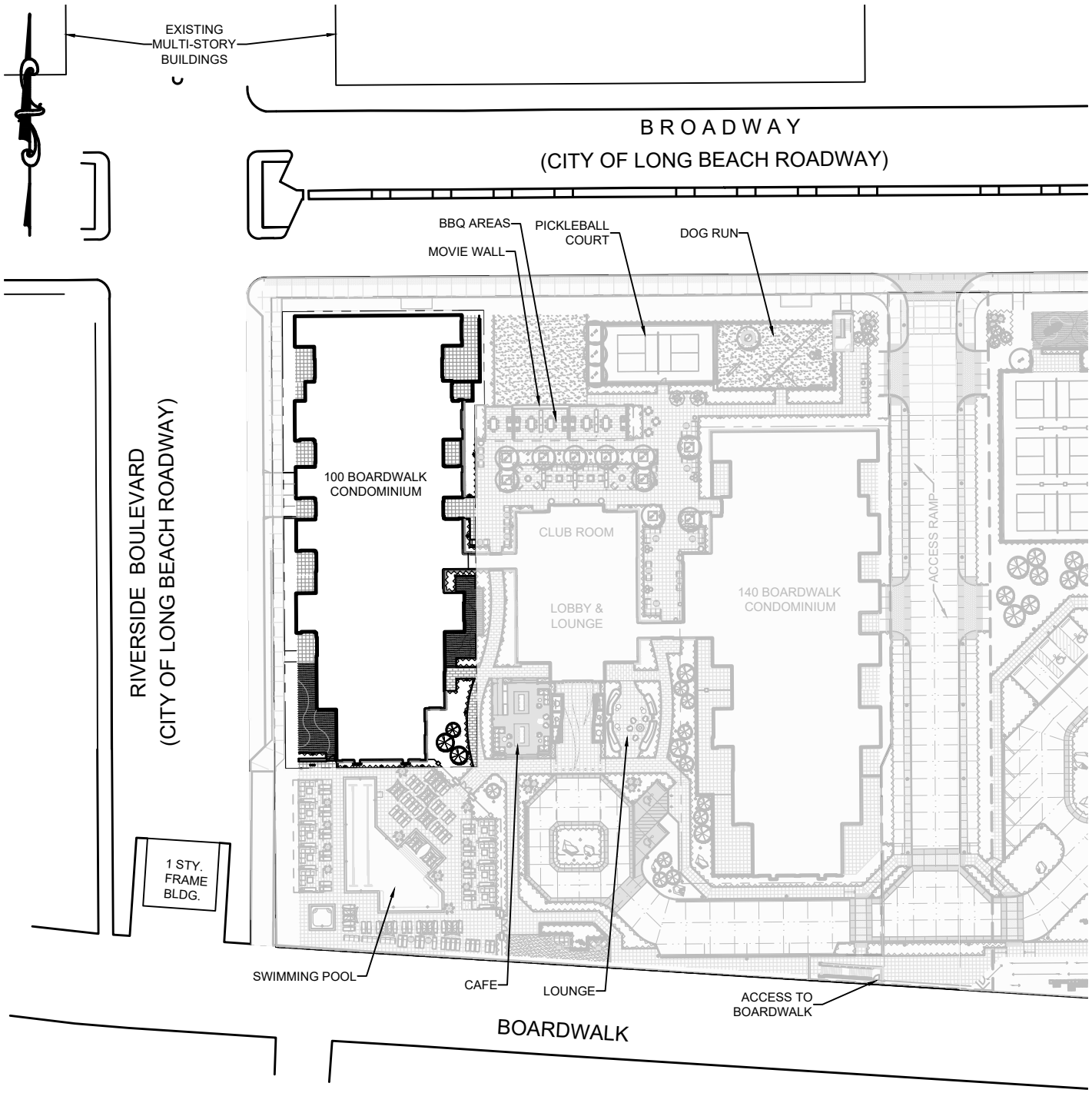
SITE PLAN/ LANDSCAPE PLAN



AG SITE PLAN 1
THE BOARDWALK

NELSON+POPE
engineers • architects • surveyors
70 Maxess Road, Melville, NY 11747 • 631.427.5665 • nelsonpope.com

PROJ	15053
DATE	05-15-2023
SCALE	1" = 80'
SHEET	1 OF 2



AG SITE PLAN 2
THE BOARDWALK

NELSON + POPE
engineers • architects • surveyors
70 Maxess Road, Melville, NY 11747 • 631.427.5665 • nelsonpope.com

PROJ	15053
DATE	05-15-2023
SCALE	1" = 80'
SHEET	2 OF 2

LONG BEACH BOULEVARD

LONG BEACH, NEW YORK

LANDSCAPE ARCHITECTURE PLANS

370

OWNER

ENGEL BURMAN
300 JERICHO TURNPIKE #100
JERICHO, NEW YORK 07656
PHONE: (516) 747 - 1200

LANDSCAPE ARCHITECT

MELILLO + BAUER ASSOCIATES
LANDSCAPE ARCHITECTURE
200 UNION AVENUE
BRIELLE, NEW JERSEY 08730
PHONE: (732)-528-0664

ARCHITECT

MINNO & WASKO, ARCHITECTS & PLANNERS
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PHONE: (609) 397-9009

INTERIOR DESIGN

BG STUDIO INTERNATIONAL
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NEW YORK, NY 10018
PHONE: (212) 242 8273

CIVIL ENGINEER

NELSON & POPE
70 MAXESS ROAD
MELVILLE, NEW YORK 11747
PHONE: (631) 427-5665

MEP ENGINEER

KEA ENGINEERS
186 WOOD AVENUE SOUTH, 8TH FLOOR
ISELIN, NEW JERSEY 08830
PHONE: (732)-635-0044

STRUCTURAL ENGINEER

MULHERN & KULP
300 BROOKSIDE AVE, BUILDING 4, SUITE 150
AMBLER, PA 19002
PHONE: (215) 646-8001

ATTORNEY GENERAL SET - 01.13.2023

Project: Long Beach (19-176)			
DRAWING LIST		DATE	STATUS
	Cover Sheet		
L-100	Street Level Landscape Plan	01.13.2023	REVISED AG SET
L-101	Podium Landscape Plan	01.13.2023	REVISED AG SET
L-102	Podium Landscape Plan	01.13.2023	REVISED AG SET
L-103	Podium Lighting Plan	01.13.2023	REVISED AG SET
L-104	Podium Lighting Plan	01.13.2023	REVISED AG SET

GENERAL NOTES:

1. THE CONTRACTOR SHALL GIVE ALL NOTICES AND COMPLY WITH ALL LAWS, ORDINANCES, RULES, REGULATIONS, AND LAWFUL ORDERS OF ANY PUBLIC AUTHORITY BEARING ON THE PERFORMANCE OF THE WORK.

2. ALL GRADING SHALL BE VERIFIED IN THE FIELD BEFORE CONSTRUCTION AND SHALL BE COORDINATED WITH THE LANDSCAPE ARCHITECT AND CIVIL ENGINEER.

3. ALL PAVING SURFACES SHALL BE FLUSH AND MEET SMOOTHLY AND EVENLY. NO WALKS SHALL EXCEED 5% OR A 2% CROSS-PITCH. ALL WALKS TO BE LAID OUT IN THE FIELD UNDER THE DIRECTION OF THE LANDSCAPE ARCHITECT.

4. ALL SITE DETAILS SHALL BE REVIEWED AND SUPPLEMENTED BY A PROFESSIONAL LICENSED STRUCTURAL ENGINEER WHO SHALL SPECIFY ALL STRUCTURAL DATA, FOOTINGS, REINFORCEMENT, HARDWARE, ETC. REQUIRED FOR STRUCTURAL INTEGRITY, SAFETY AND COMPLIANCE WITH LOCAL CODES AND CONDITIONS PRIOR TO CONSTRUCTION.

5. ALL ARCHITECTURAL INFORMATION WAS PROVIDED BY: MINNO & WASKO ARCHITECTS & PLANNERS 80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530, PHONE: (609) 397-9009

6. ALL ENGINEERING INFORMATION WAS PROVIDED BY: NELSON & POPE, 572 WALT WHITMAN ROAD, MELVILLE, NEW YORK, 11747, PHONE: (631)427-5665

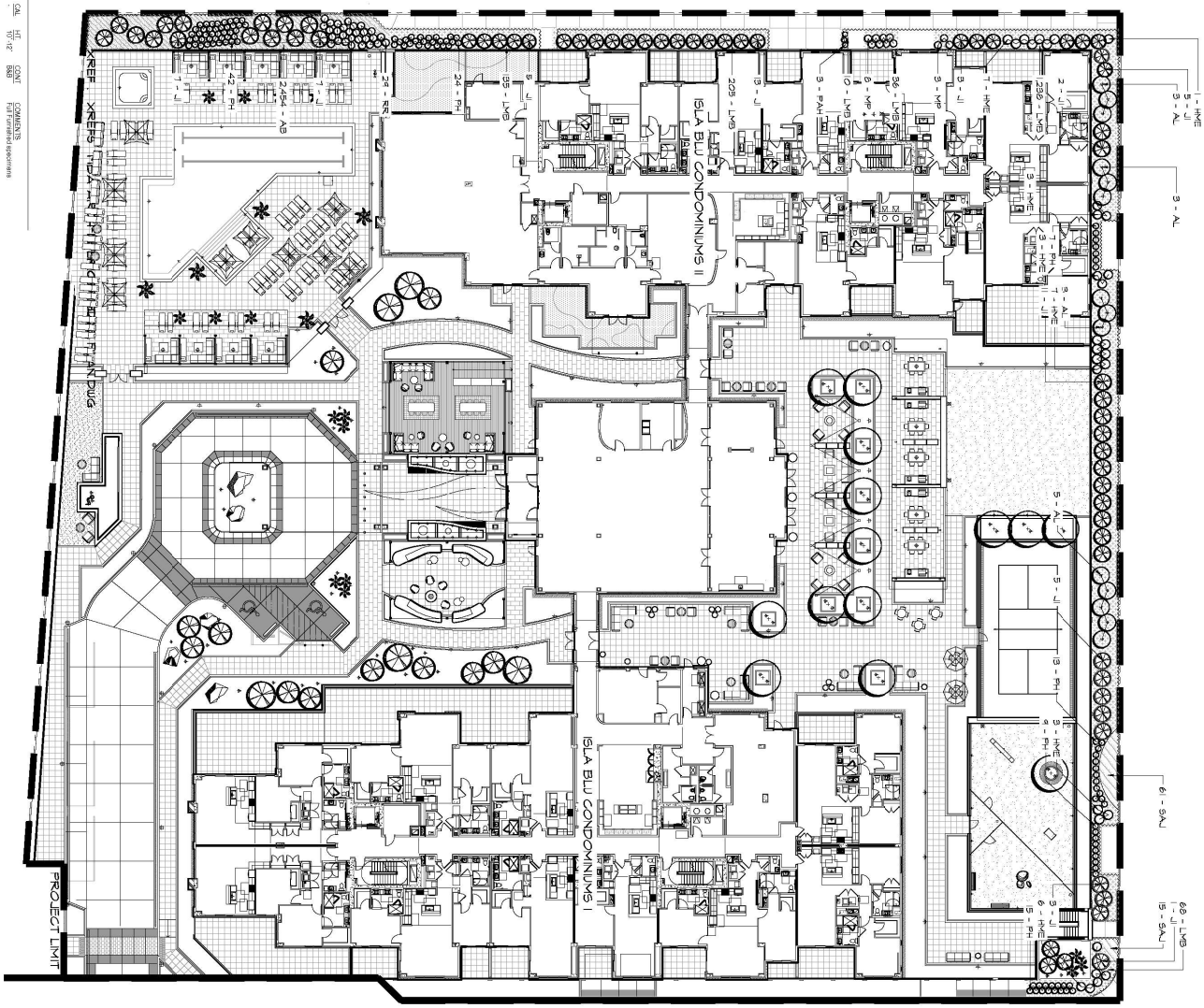
7. ALL PLANTED AREAS SHALL BE IRRIGATED WITH DRIP IRRIGATION. ALL SODDED AREAS TO BE IRRIGATED WITH SPRAY IRRIGATION. CONTRACTOR SHALL SUBMIT SHOP DRAWINGS.

8. ALL PLANT MATERIAL/LANDSCAPE MATERIALS SUBSTITUTIONS SHALL BE APPROVED BY THE L.A./OWNERS REPRESENTATIVES.

MELILLO+BAUER
ASSOCIATES
Landscape Architecture

PLANT SCHEDULE

SYMBOL	EVERGREEN TREES	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD	CONT	COMMENTS
LMB	Little Gem Magnolia	77	Magnolia grandiflora 'Little Gem' / Little Gem Magnolia	-	10'-12'	5'-6'	B&B	Full Specimens, 3 trunk minimum
	ORNAMENTAL TREES	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD	CONT	COMMENTS
AL	Shadblow	14	Amelanchier canadensis / Allegheny Serviceberry 'Downy Shadblow'	10'-12'	10'-12'	B&B	Full Specimens, 3 trunk minimum	
HME	Endless Summer	90	Hydrangea macrophylla 'Endless Summer' TM / Endless Summer Hydrangea	-	-	-	#5 cont.	Full Plants, 3' O.C.
MF	Montgomery	11	Picea pungens 'Montgomery' / Montgomery Blue Spruce	5'-6'	25'-30'	8'-10'	15 Gal.	Full Plants, 10' O.C.
RR	Rose Rugosa	29	Rosa rugosa / Rugosa Rose	-	-	-	#5 cont.	Full Plants, 2.5' O.C.
	ORNAMENTAL GRASSES	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD	CONT	COMMENTS
PAH	Dwarf Fountain Grass	9	Pennisetum alopecuroides 'Hameln' / Hameln Dwarf Fountain Grass	-	2.5'-3'	-	2 Gal.	Full Plants, 18" O.C.
PH	Heavy Metal	110	Panicum virgatum 'Heavy Metal' / Heavy Metal Switch Grass	-	2.5'-3'	-	3 Gal.	Full Plants, 2' O.C.
	GROUND COVERS	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD	CONT	COMMENTS
AB	Blue Fescue	2,254	Festuca glauca 'Elijah Blue' / Elijah Blue Fescue	-	-	-	1 Gal.	Full Plants, 12" O.C.
LMB	Big Blue Lilyturf	1,701	Liriope muscari 'Big Blue' / Big Blue Lilyturf	-	-	-	1 Gal.	Full Plants, 15" O.C.
SAJ	Autumn Joy	77	Sedum purpureum 'Autumn Joy' / Pink Perennial Sedum	-	-	-	2 Gal.	Full Plants, 15" O.C.



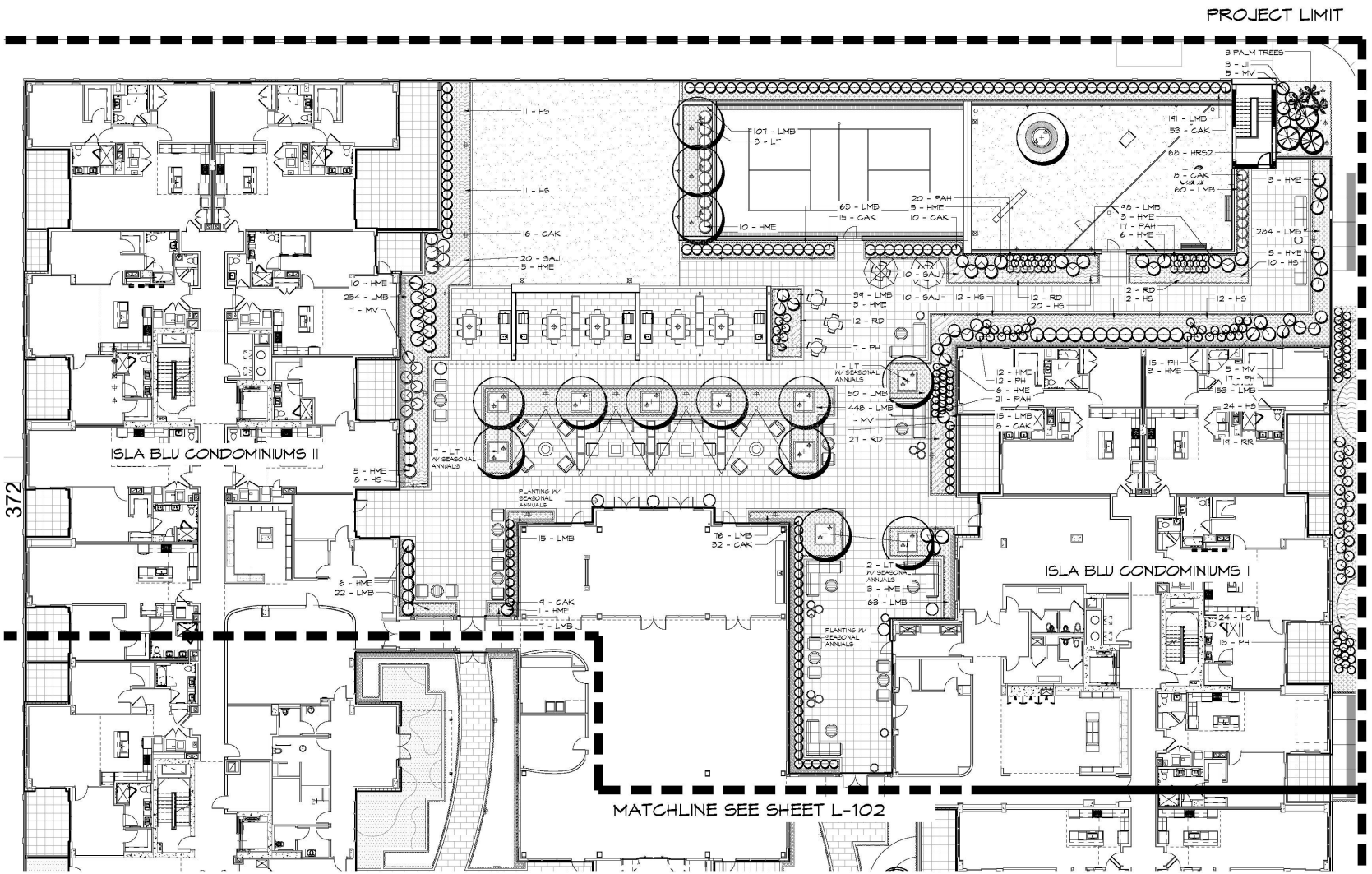
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DRAWING NO.	L-100
DATE OF ISSUANCE	06/13/2022
JOB NO.	19-013
NO.	DESCRIPTION
1	Revised per Planning Board Meeting

MELILLO+BAUER ASSOCIATES
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Long Beach Boulevard
Long Beach, NY

Street Level
Landscape Plan



PLANT SCHEDULE

EVERGREEN TREES	QTY	BOTANICAL / COMMON NAME	CAL.	HT.	CONT.	COMMENTS
JI	8	Juniperus virginiana 'Idyllwild' / Idyllwild Red Cedar	-	10'-12'	B&B	Full Furnished specimens

ORNAMENTAL TREES	QTY	BOTANICAL / COMMON NAME	CAL.	HT.	CONT.	COMMENTS
LT	13	Lagerstroemia x 'Tuskegee' / Tuskegee Crape Myrtle	3-3.5" cal.	12'-14'	B&B	Full Specimens, 3 trunk minimum

SHRUBS	QTY	BOTANICAL / COMMON NAME	CAL.	HT.	CONT.	COMMENTS
HME	84	Hydrangea macrophylla 'Endless Summer' TM / Endless Summer Hydrangea	-	2.5'-3'	#5 cont.	Full Plants, 3' O.C.
RR	19	Rosa rugosa / Rugosa Rose	-	2.5'-3'	3 Gal.	Full Plants, 2.5' O.C.

ORNAMENTAL GRASSES	QTY	BOTANICAL / COMMON NAME	CAL.	HT.	CONT.	COMMENTS
CAR	101	Calamagrostis x acutiflora 'Karl Foerster' / K.F. Feather Reed Grass	-	5'-6'	5 Gal.	Full Plants, 3' O.C.
MV	18	Miscanthus sinensis 'Gracillimus' / Maiden Grass	-	2.5'-3'	5 Gal.	Full Plants, 3' O.C.
PAH	68	Pennisetum alopecuroides 'Hameln' / Hameln Dwarf Fountain Grass	-		2 Gal.	Full Plants, 18" O.C.
PH	64	Panicum virgatum 'Heavy Metal' / Heavy Metal Switch Grass	-	2.5'-3'	3 Gal.	Full Plants, 2' O.C.

GROUND COVERS	QTY	BOTANICAL / COMMON NAME	CAL.	HT.	CONT.	COMMENTS
HRS2	68	Nassella tenuissima / Mexican Feathergrass	-		2 Gal.	Full Plants, 18" O.C.
HS	144	Hemerocallis x 'Stella D'Oro' / Stella D'Oro Daylily	-		#3 cont.	Full Plants, 18" O.C.
LMB	1,945	Liriope muscari 'Big Blue' / Big Blue Lilyturf	-		1 Gal.	Full Plants, 15" O.C.
RD	63	Rosa 'meigapio' Red Drift / Red Drift Rose	-		#3 cont.	Full Plants, 18" O.C.
SAJ	40	Sedum purpureum 'Autumn Joy' / Pink Perennial Sedum	-		2 Gal.	Full Plants, 15" O.C.

0 8 16 32 64

Podium
Landscape Plan

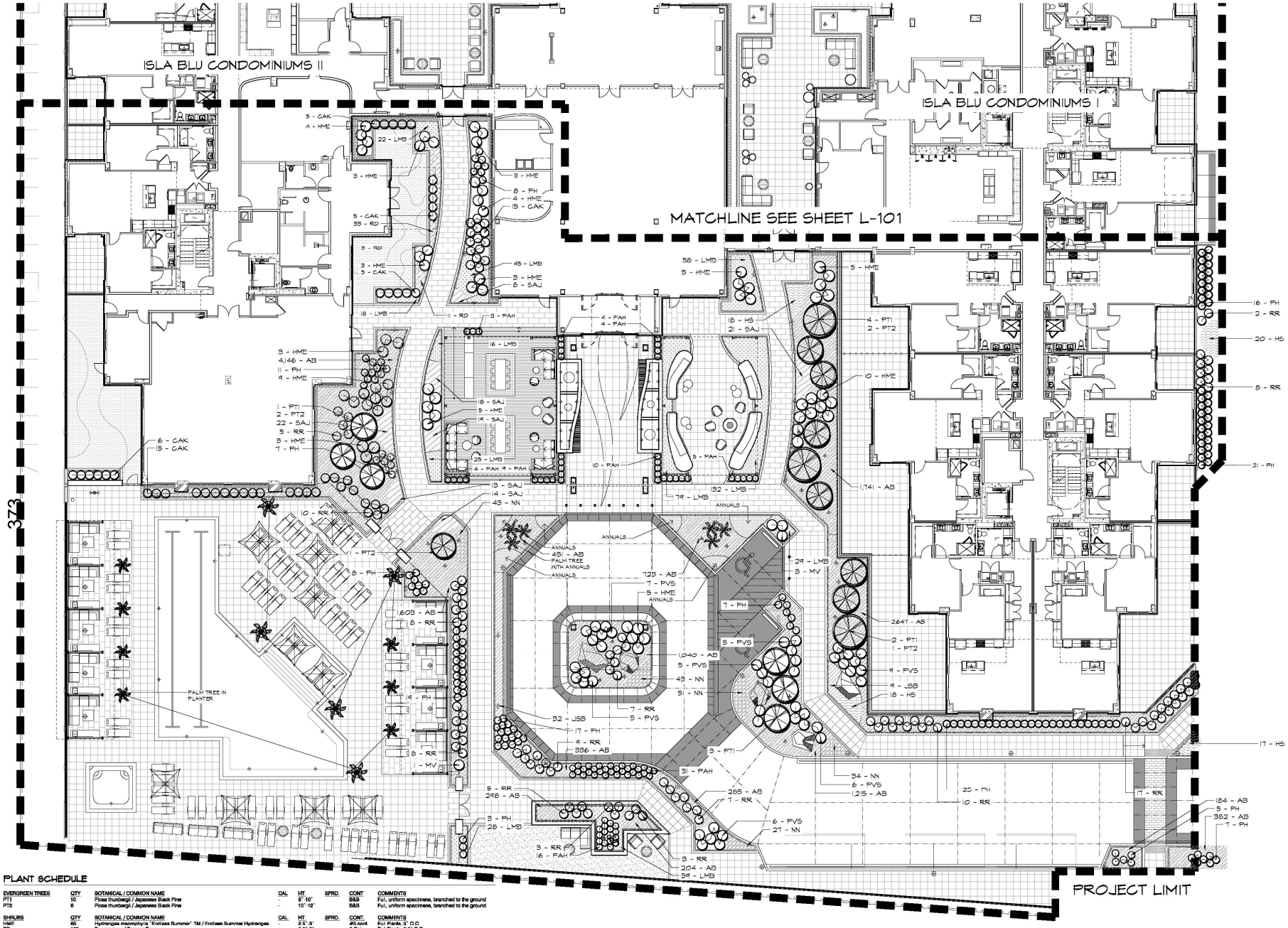
Long Beach Boulevard
Long Beach, NY

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NO.	DATE	REVISION
1.	01.13.23	REVISED AS SET

SCALE: 1"=10'-0"
DATE: 04.12.2022 JOB NO.: 19-174

DRAWING NO:
L-101



PLANT SCHEDULE

EVERGREEN TREES	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD.	CONT	COMMENTS
PT1	10	Picea thunbergii / Japanese Black Pine	-	8`-10`		B&B	Full, uniform specimens, branched to the ground
PT2	6	Picea thunbergii / Japanese Black Pine	-	10`-12`		B&B	Full, uniform specimens, branched to the ground

SHRUBS	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD.	CONT.	COMMENTS
HME	65	Hydrangea macrophylla `Endless Summer` TM / Endless Summer Hydrangea	-	2.5`-3`		#5 cont.	Full Plants, 3` O.C.
RR	102	Rosa rugosa / Ragosa Rose	-	2.5`-3`		3 Gal.	Full Plants, 2.5` O.C.

ORNAMENTAL GRASSES	QTY	BOTANICAL / COMMON NAME	CAL	HT.	SPRD.	CONT.	COMMENTS
CAK	51	Calamagrostis x acutiflora `Karl Foerster` / K.F. Feather Reed Grass	-	2.5`-3`		3 Gal	Full Plants, 2` O.C.
MV	4	Miscanthus sinensis `Gracillimus` / Maiden Grass	-	2.5`-3`		5 Gal	Full Plants, 3` O.C.
PAH	86	Pennisetum alopecuroides `Hamelin` / Hamelin Dwarf Fountain Grass	-			2 Gal.	Full Plants, 18" O.C.
PH	154	Panicum virgatum `Heavy Metal` / Heavy Metal Switch Grass	-	2.5`-3`		3 Gal.	Full Plants, 2` O.C.
PVS	43	Panicum virgatum `Shenandoah` / Switch Grass	-	2`-2.5`		3 Gal.	Full Plants, 2` O.C.

GROUND COVERS	QTY	BOTANICAL / COMMON NAME	CAL	HT	SPRD.	CONT.	COMMENTS
AB	18,233	Ammophila brevilgulata / American Beachgrass	-			Plugs	Plugs, 6" O.C. 16" HT. 2 Stem minimum
HS	73	Hemerocallis x `Stella D`Oro` / Stella D`Oro Daylily	-			#3 cont.	Full Plants, 18" O.C.
JSB	41	Juniperus squamata `Blue Star` / Blue Star Juniper	-		18"-24"	#3 cont.	Full Plants, 2.5` O.C.
LMB	491	Liriope muscari `Big Blue` / Big Blue Lilyturf	-			1 Gal.	Full Plants, 15" O.C.
NN	198	Nipponanthemum nipponicum / Montauk Daisy	-			1 Gal.	Full Plants, 12" O.C.
RD	47	Rosa `meigapio` Red Drift / Red Drift Rose	-			#3 cont.	Full Plants, 18" O.C.
SAJ	115	Sedum purpureum `Autumn Joy` / Pink Perennial Sedum	-			2 Gal.	Full Plants, 15" O.C.

0 5 10 20 40

Podium
Landscape Plan

Long Beach Boulevard
Long Beach, NY

MELILLO+BAUER
ASSOCIATES
Landscape Architecture

200 Union Avenue
Belleville, New Jersey 07109

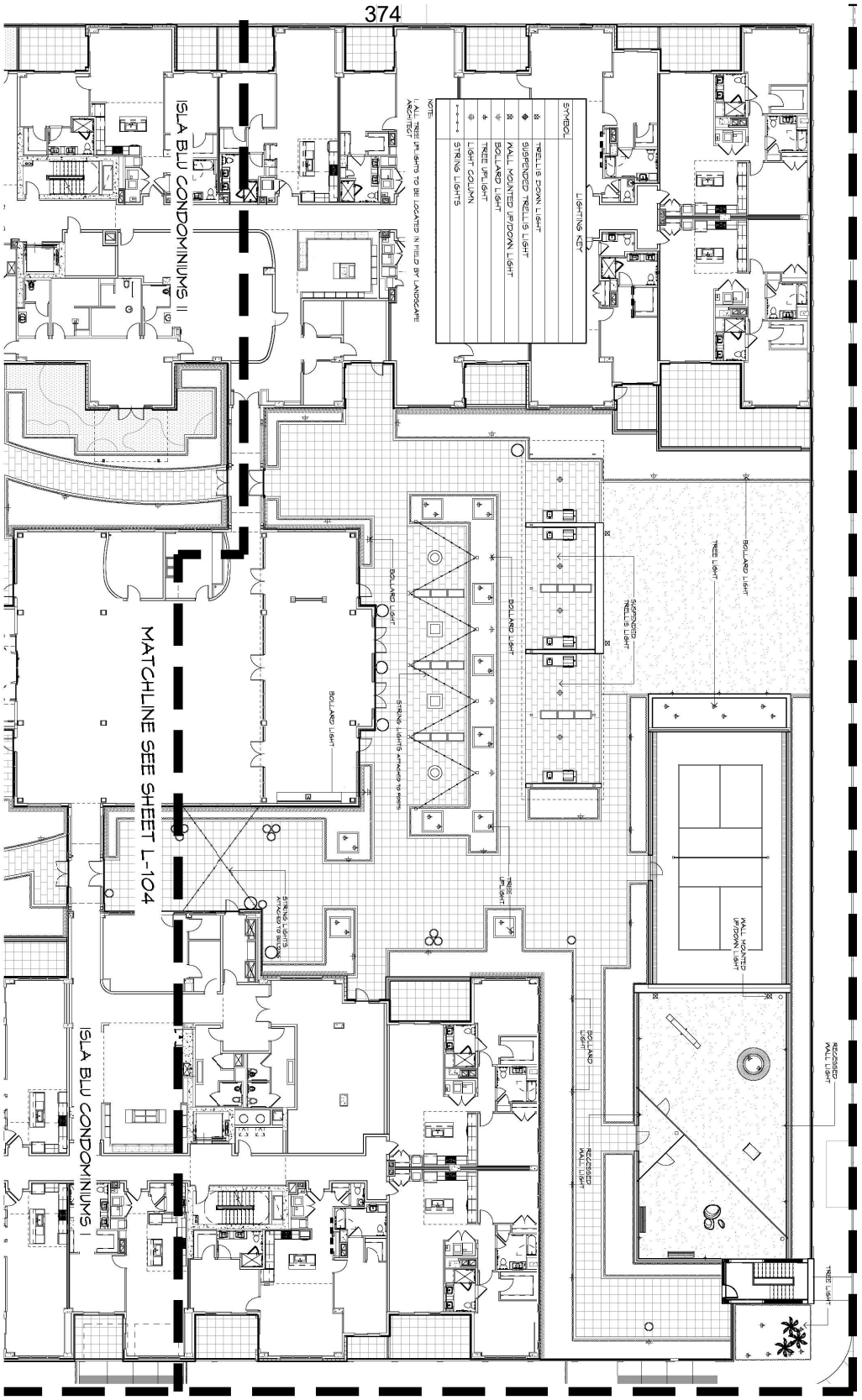
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NO.	DATE	REVISION
1.	01.13.23	REVISED AS SET

SCALE: 1"=10'-0"

DATE: 04.12.2022 JOB NO.: 19-174

DRAWING NO:
L-102

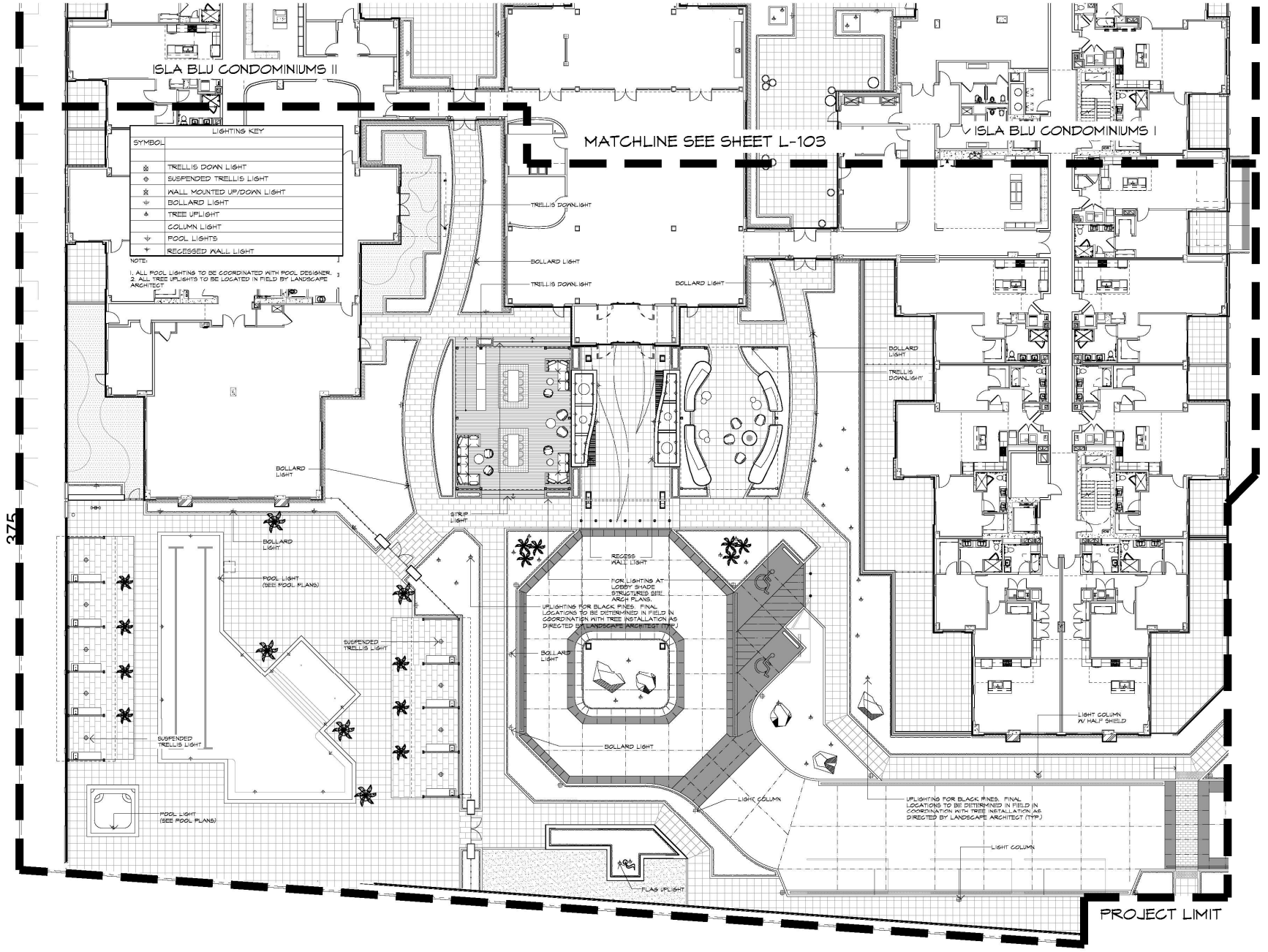


L-103

MELILLO+BAUER ASSOCIATES

Long Beach Boulevard
Long Beach, NY

Podium
Lighting Plan



0 5 10 20 40

Podium
Lighting Plan

Long Beach Boulevard
Long Beach, NY

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NO.	DATE	REVISION
1.	01.13.23	REVISED AD SET

SCALE: 1"=10'-0"
DATE: 04.12.2022 JOB NO.: 19-176

DRAWING NO:
L-104

SCHEDULE G-3

PARKING GARAGE PLAN



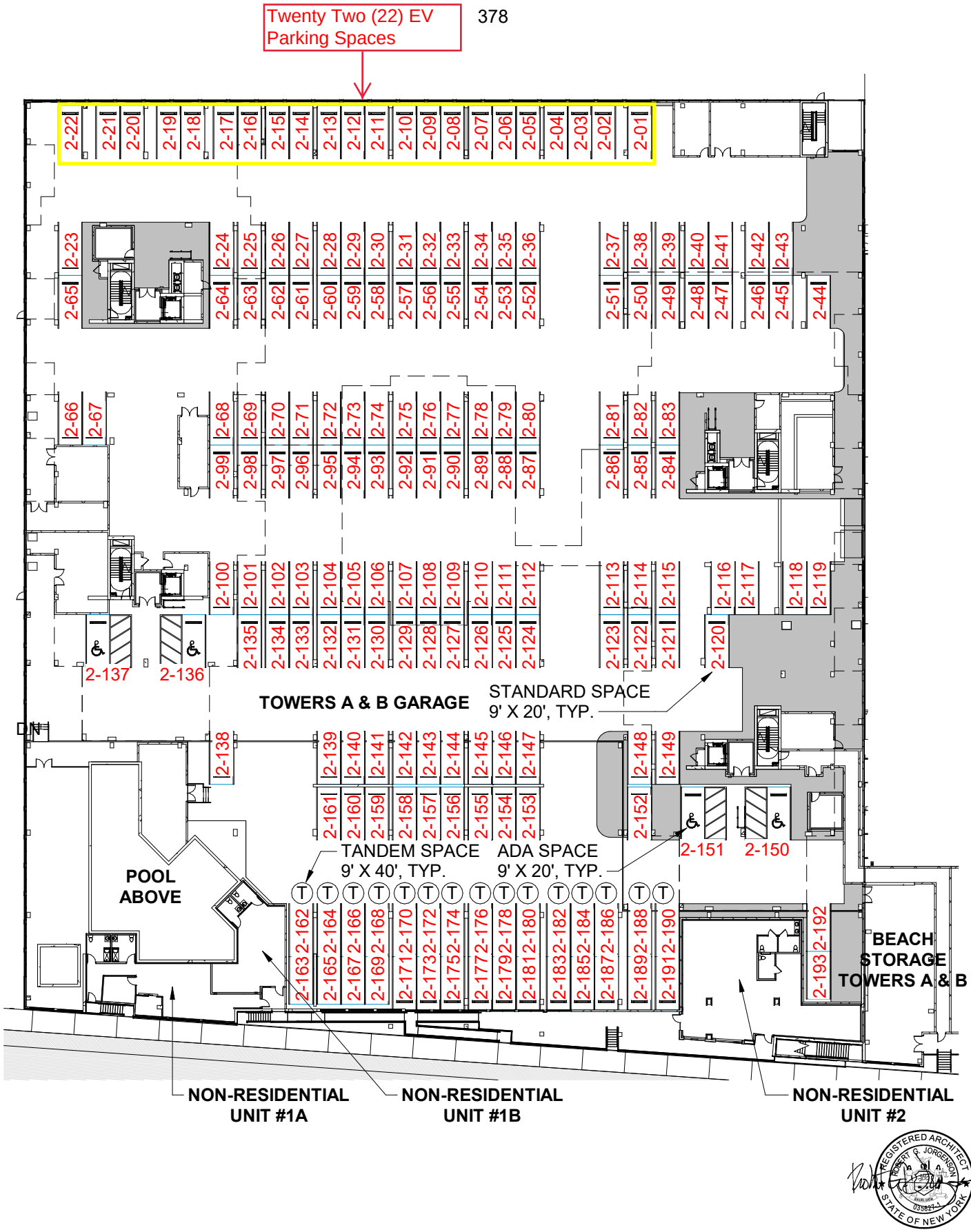
SCALE: 1" = 50'-0"

GARAGE LEVEL 1

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

GL-1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



REGISTERED ARCHITECT ROBERT G. JORGENSON 035824-1 STATE OF NEW YORK

SCALE: 1" = 50'-0"

GARAGE LEVEL 2

05/10/23

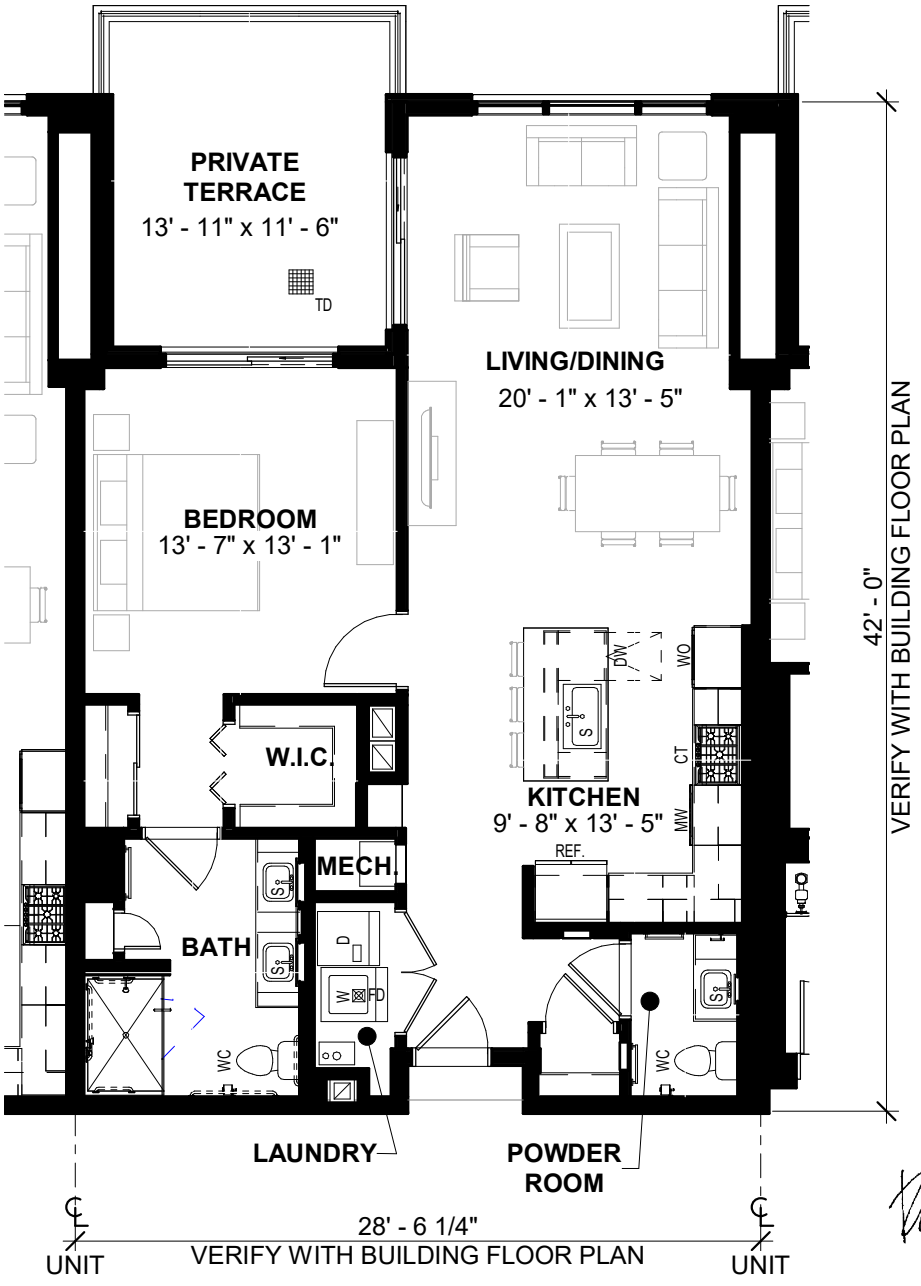
MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

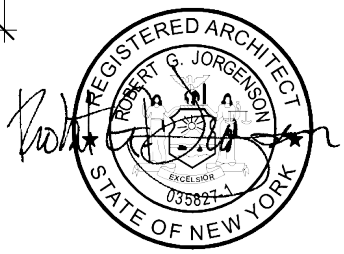
GL-2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

SCHEDULE G-4

FLOOR PLANS/ ELEVATIONS

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #(S):
407, 507, 607, 707, 807, 907 & 1007

TOWER A UNIT COUNT : 7

UNIT NET AREA : 941 SF
TERRACE AREA : 166 SF

SCALE: 1/8" = 1'-0"

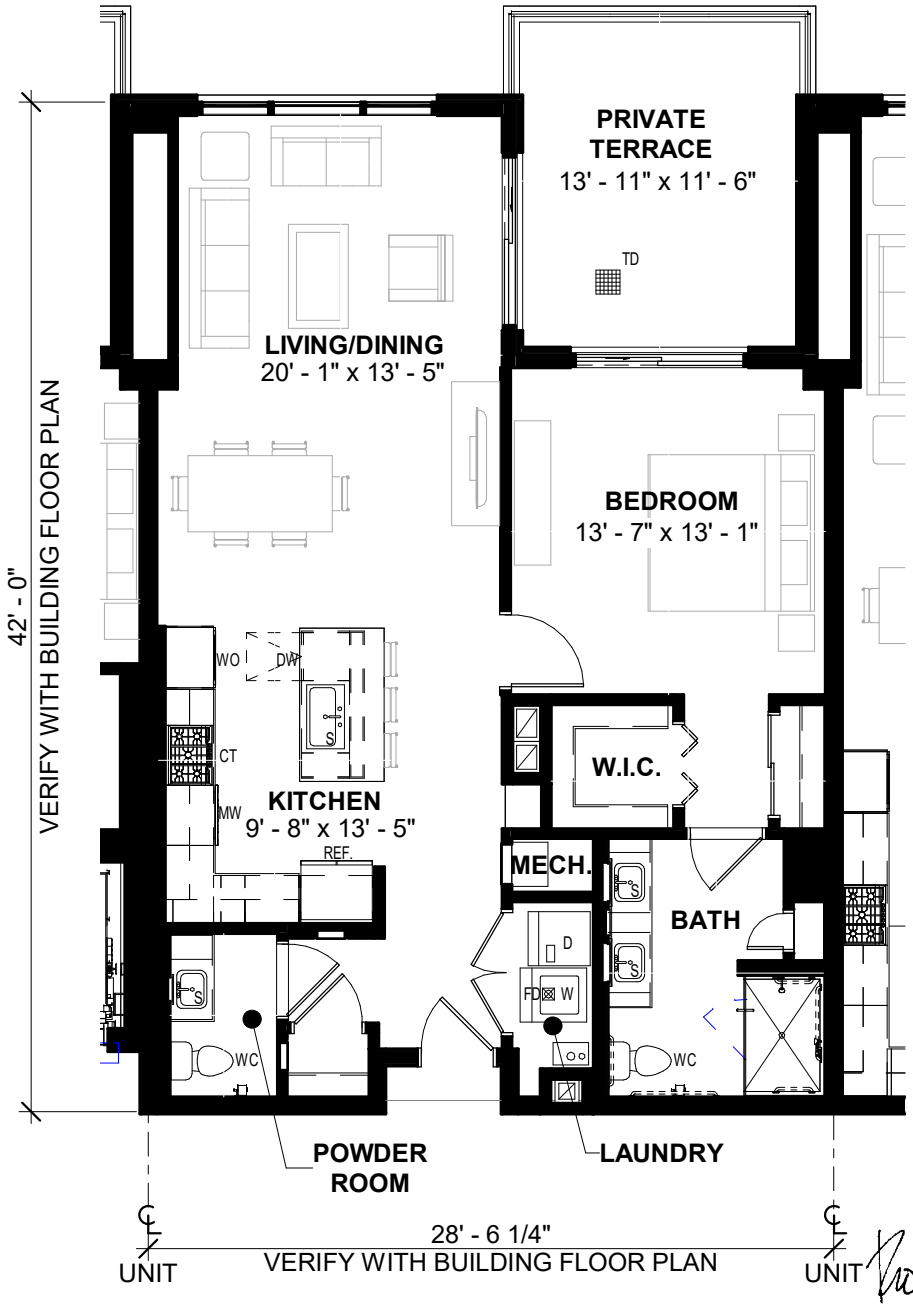
UNIT A-01 - ONE BEDROOM, ONE BATH, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-01.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827
STATE OF NEW YORK

TOWER A UNIT #(S):
408, 608, 708, 808, 908 & 1008

TOWER A UNIT COUNT : 6

UNIT NET AREA : 941 SF
TERRACE AREA : 166 SF

SCALE: 1/8" = 1'-0"

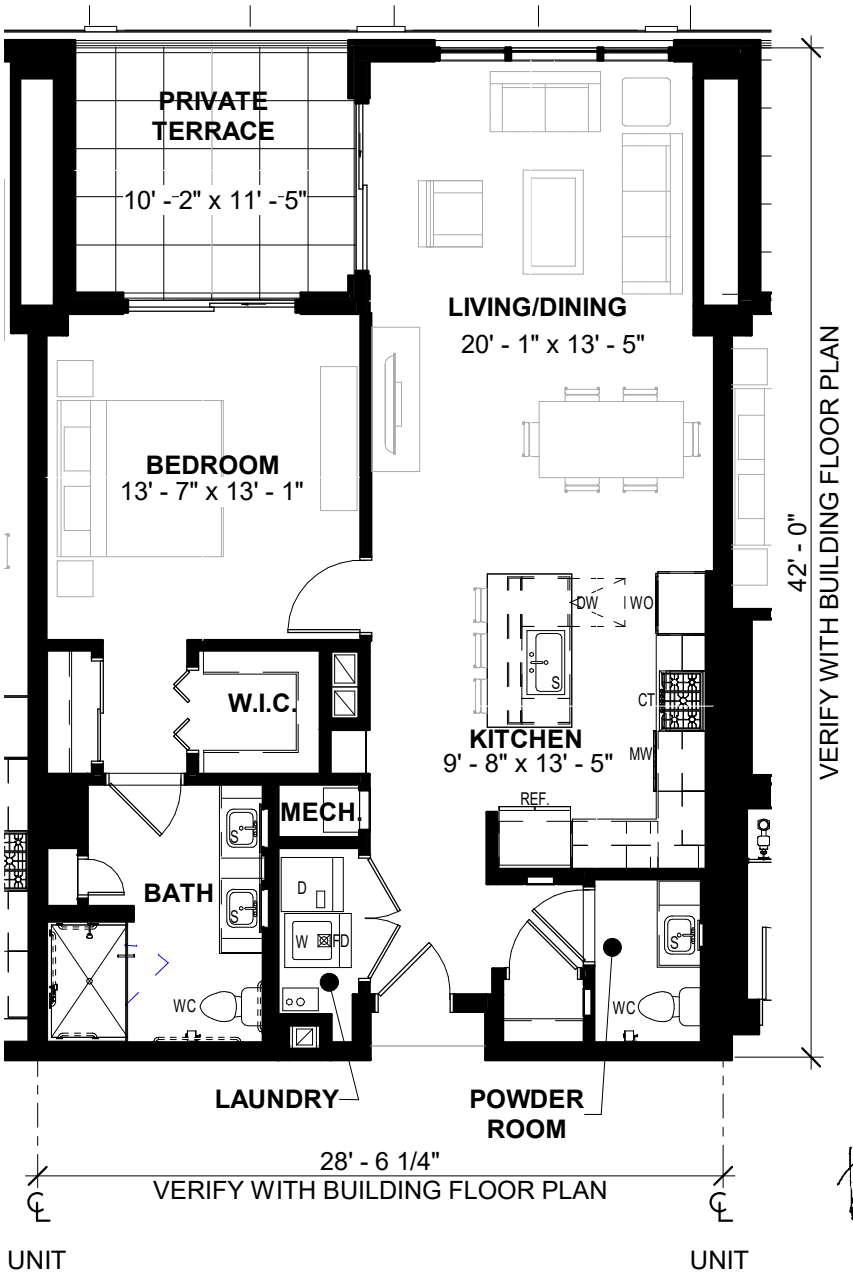
UNIT A-01 - ONE BEDROOM, ONE BATH, ONE POWDER RM.

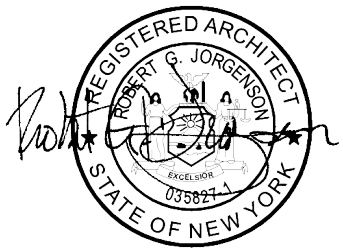
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-01.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT # :
LANAI 3

TOWER A UNIT COUNT : 1
UNIT NET AREA : 941 SF
TERRACE AREA : 121 SF

SCALE: 1/8" = 1'-0"

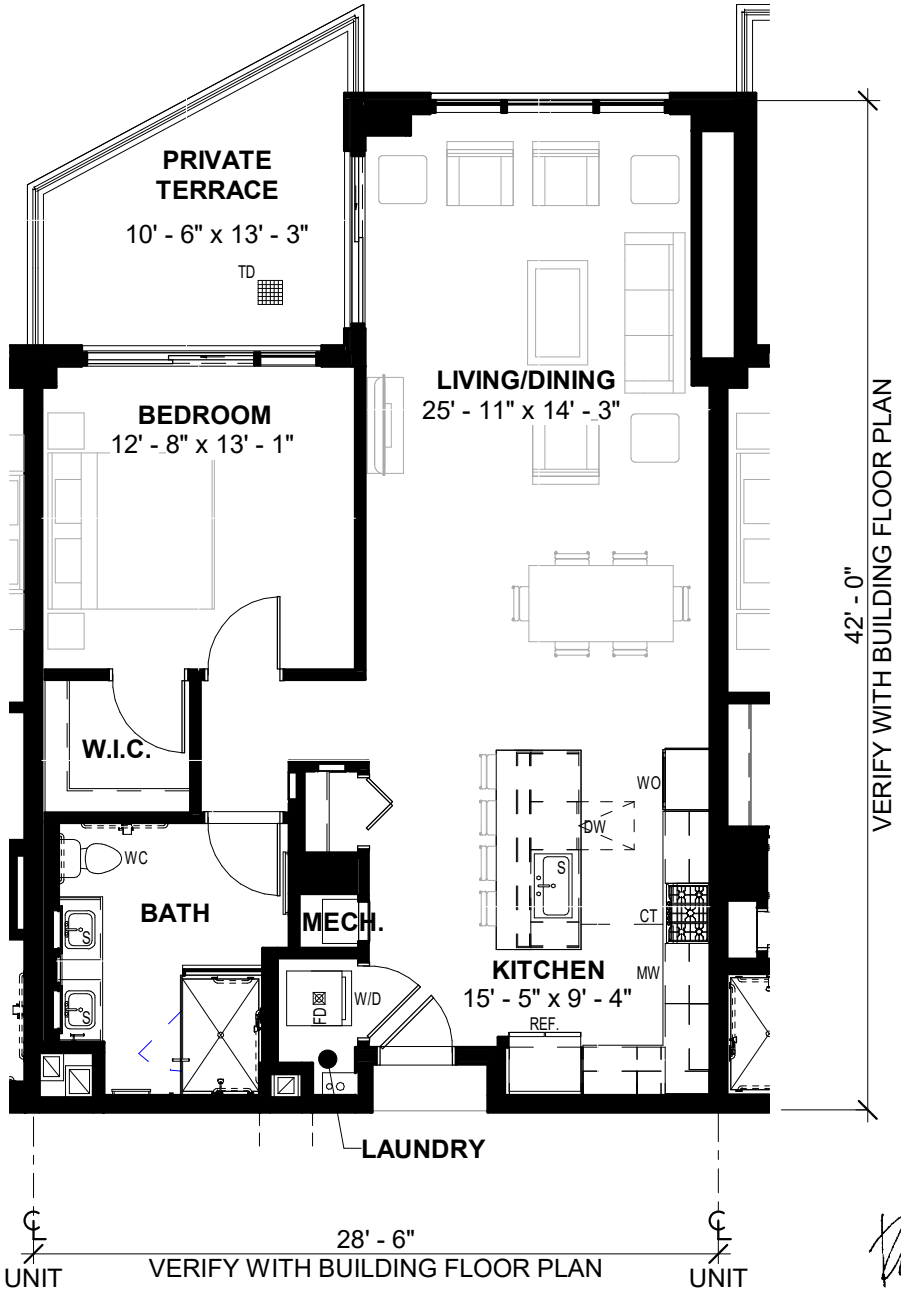
UNIT A-01 - ONE BEDROOM, ONE BATH, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-01.3
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
405, 505, 605, 705, 805, 905 & 1005

TOWER A UNIT COUNT : 7

UNIT NET AREA : 952 SF
TERRACE AREA : 135 SF

SCALE: 1/8" = 1'-0"

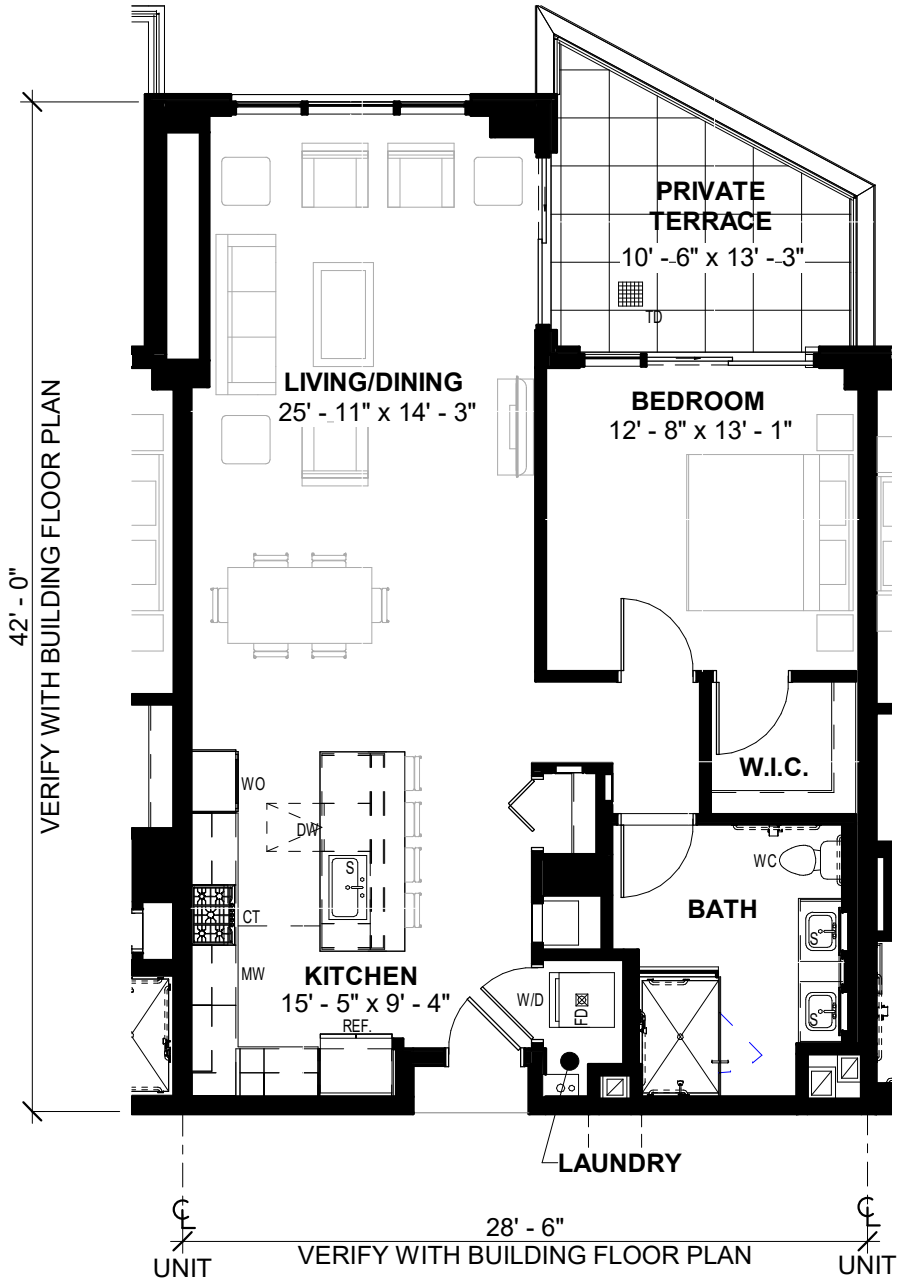
UNIT A-02 - ONE BEDROOM, ONE BATH

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-02.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
406, 606, 706, 806, 906 & 1006

TOWER A UNIT COUNT : 6

UNIT NET AREA : 952 SF
TERRACE AREA : 135 SF

SCALE: 1/8" = 1'-0"

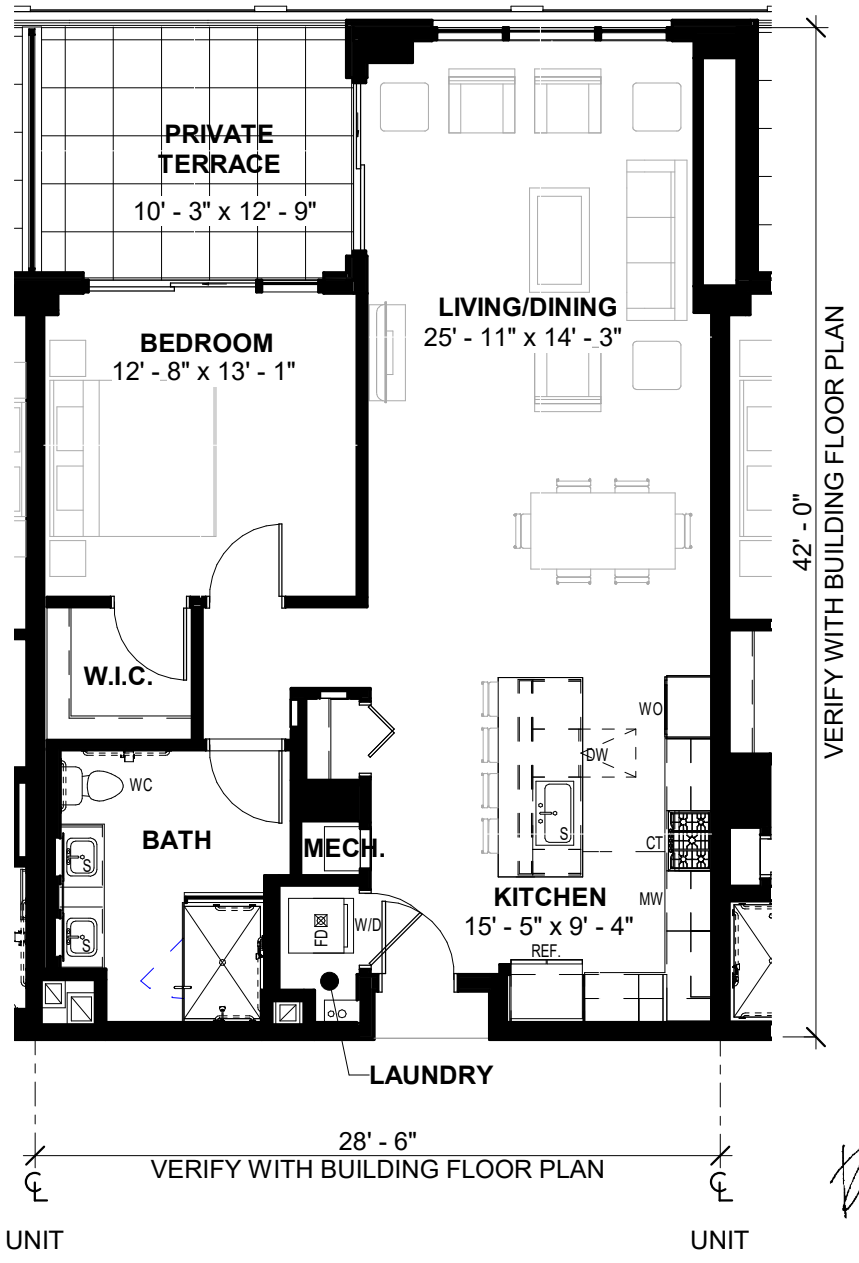
UNIT A-02 - ONE BEDROOM, ONE BATH

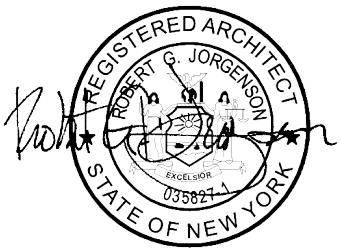
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-02.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #(S):
LANAI 2

TOWER A UNIT COUNT : 1
UNIT NET AREA : 952 SF
TERRACE AREA : 135 SF

SCALE: 1/8" = 1'-0"

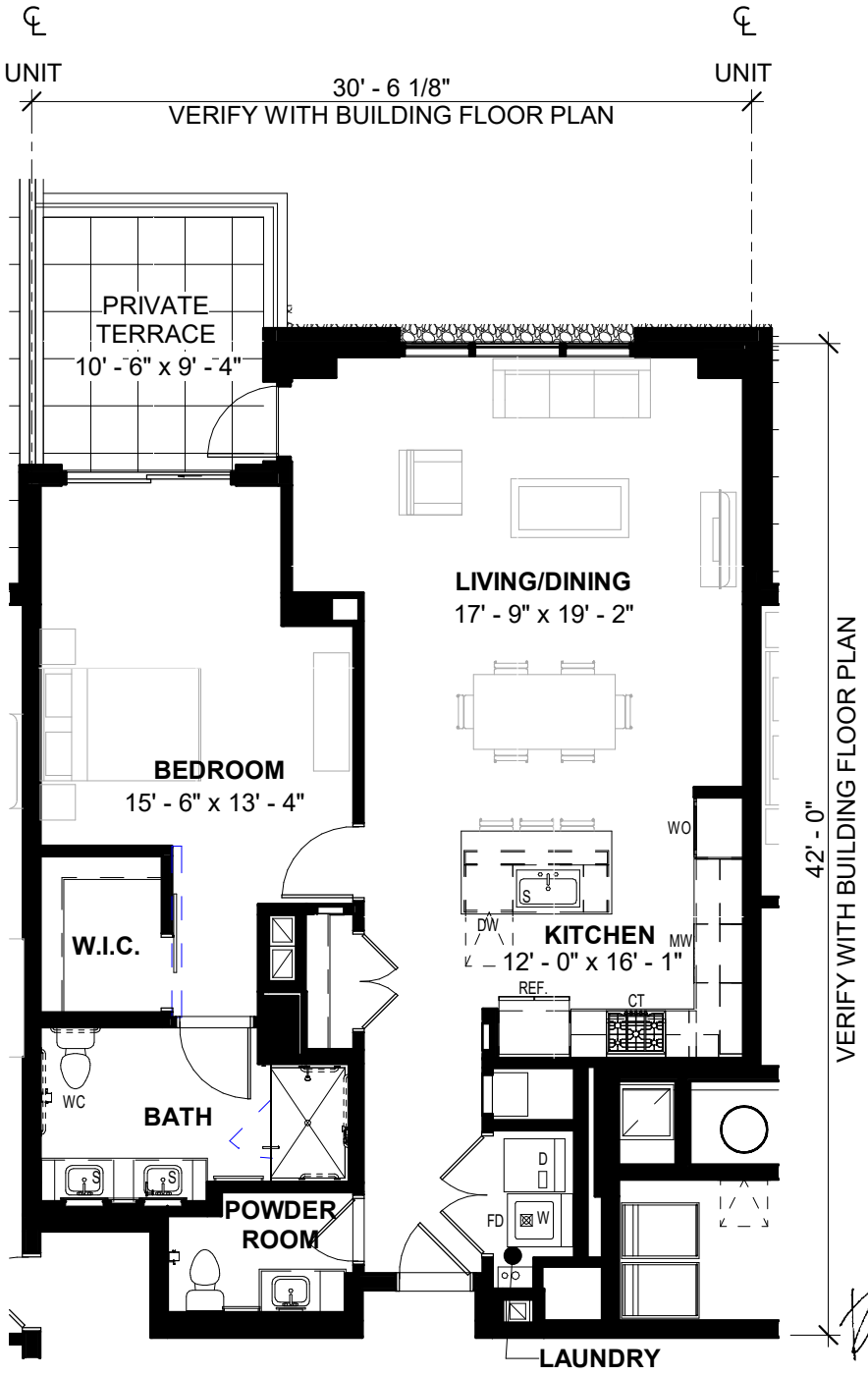
UNIT A-02 - ONE BEDROOM, ONE BATH

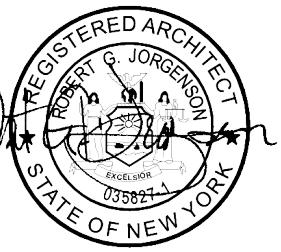
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-02.3
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #(S):
LANAI 6

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,010 SF
TERRACE AREA : 100 SF

SCALE: 1/8" = 1'-0"

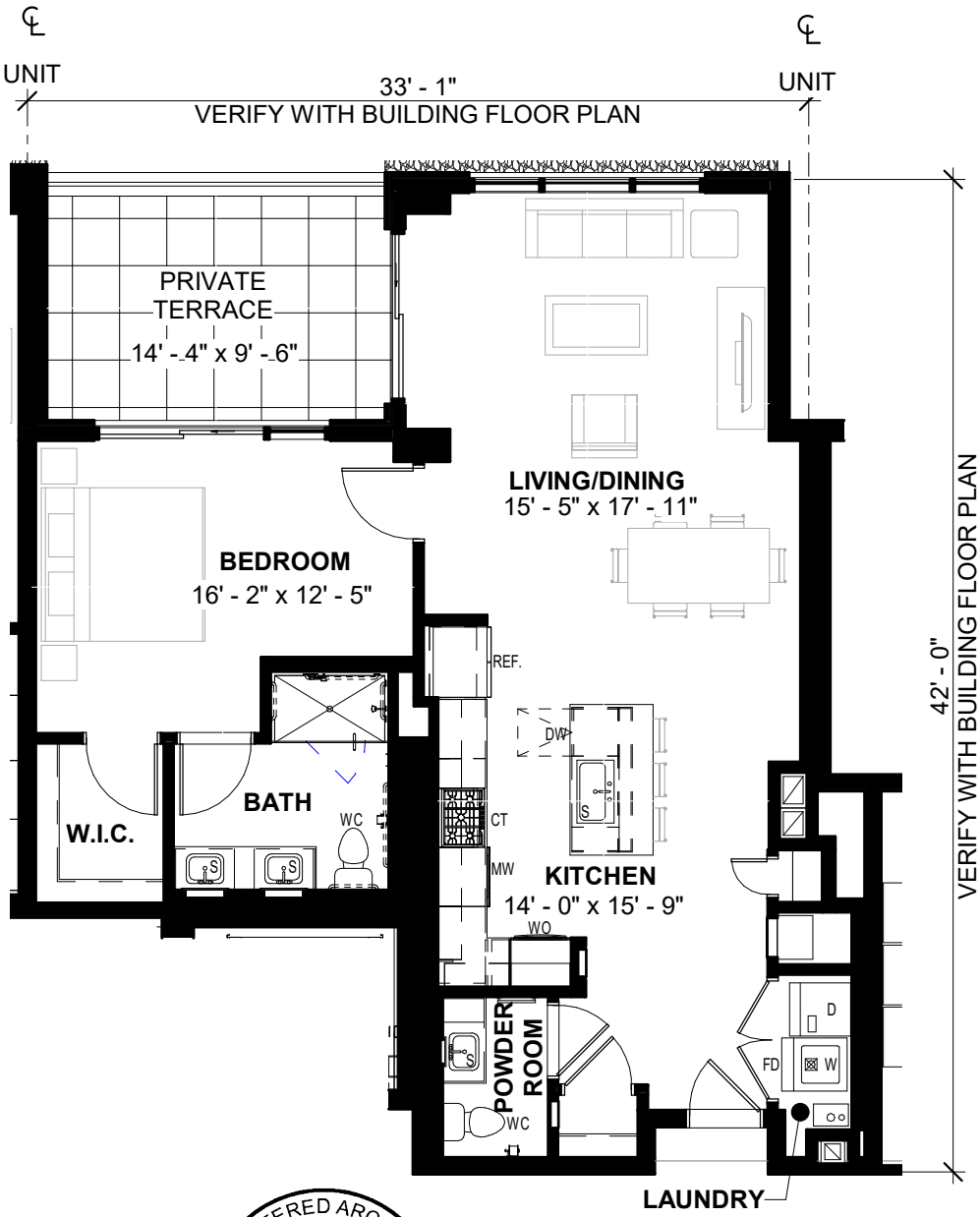
UNIT A-03 - ONE BEDROOM, ONE BATH, ONE POWDER RM.

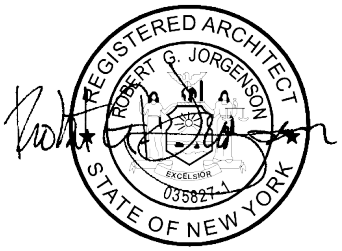
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-03.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #(S):
LANAI 4

TOWER A UNIT COUNT : 1
UNIT NET AREA : 934 SF
TERRACE AREA : 141 SF

SCALE: 1/8" = 1'-0"

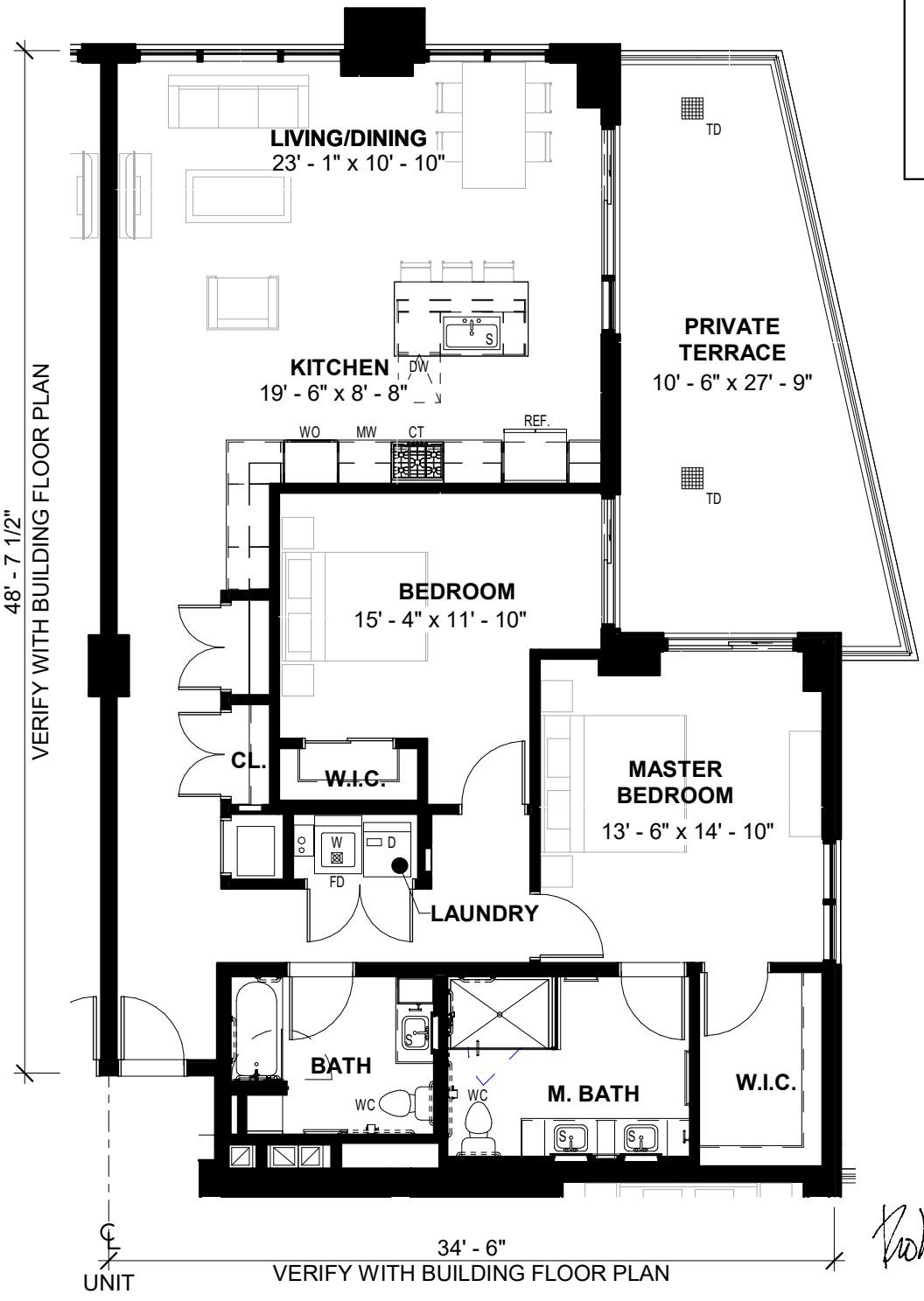
UNIT A-04 - ONE BEDROOM, ONE BATH, ONE POWDER RM.

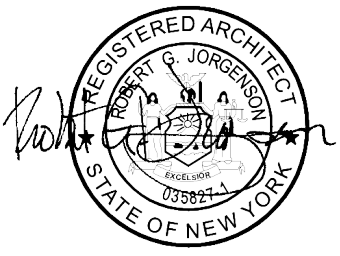
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UA-04.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #(S):
401, 601, 701, 801 & 901

TOWER A UNIT COUNT : 5

UNIT NET AREA : 1,409 SF
TYPICAL TERRACE AREA : 298 SF

SCALE: 1/8" = 1'-0"

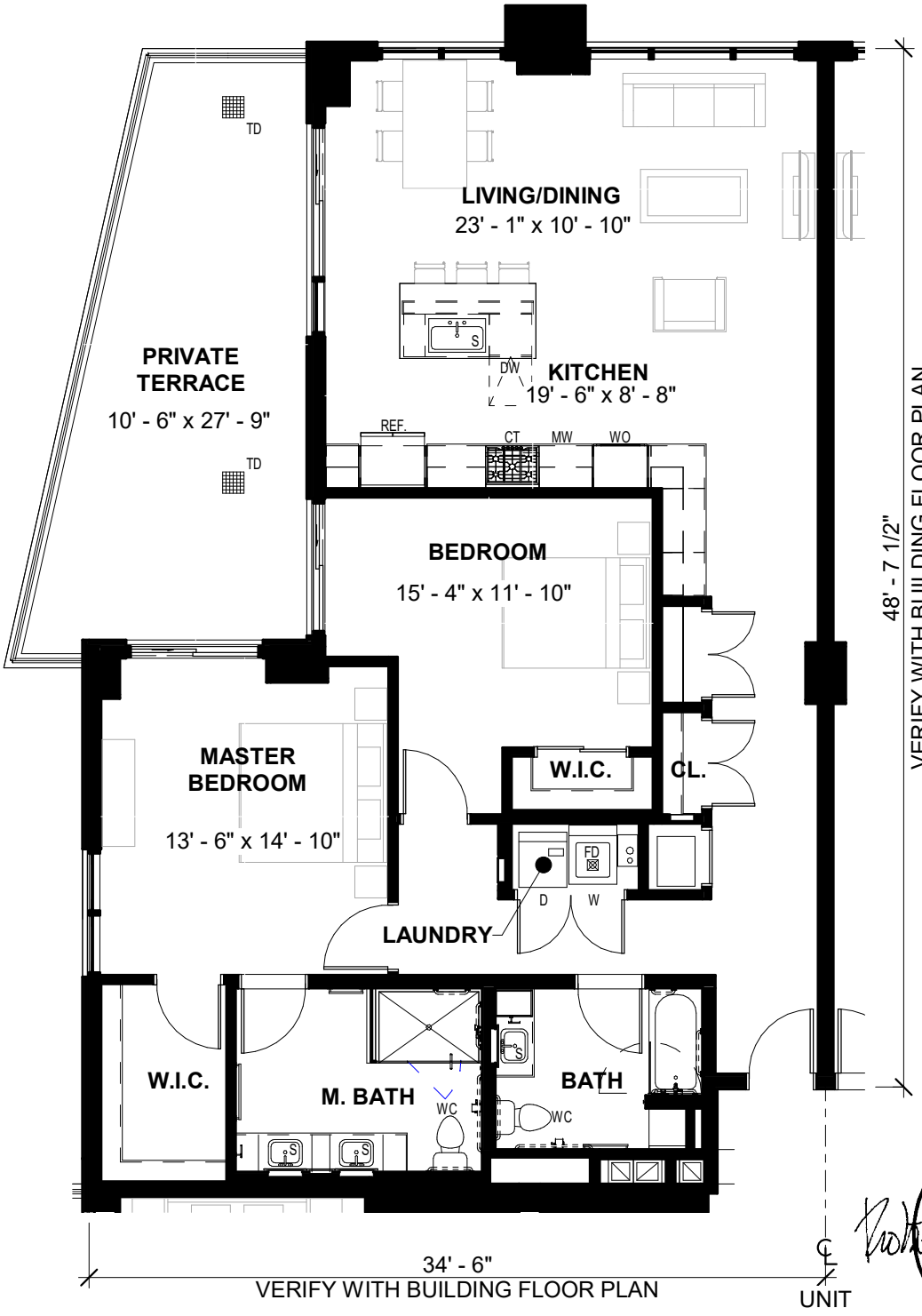
UNIT B-01 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-01.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
402, 602, 702, 802 & 902

TOWER A UNIT COUNT : 5

UNIT NET AREA : 1,409 SF
TYPICAL TERRACE AREA : 298 SF

SCALE: 1/8" = 1'-0"

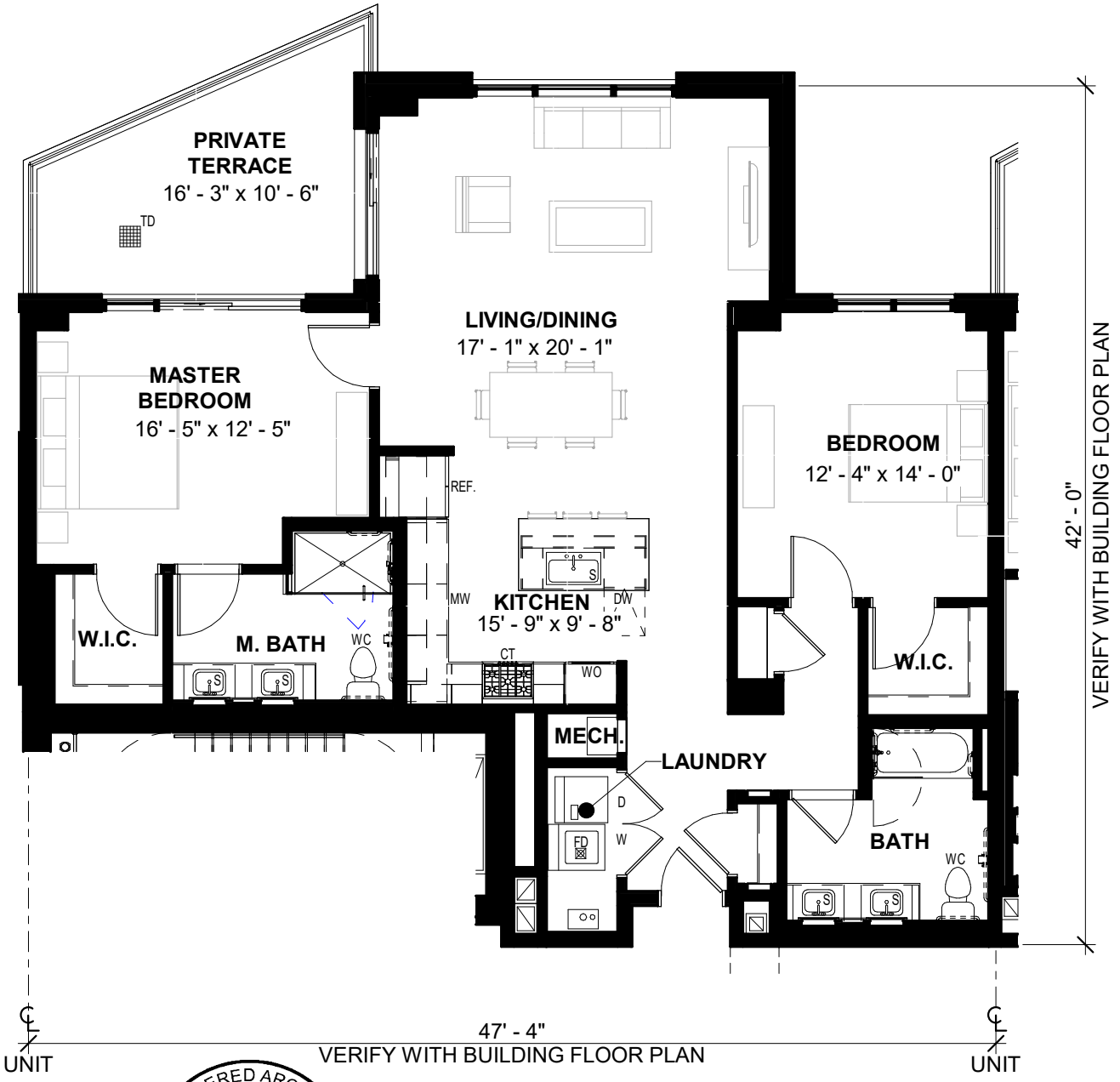
UNIT B-01 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-01.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827
STATE OF NEW YORK

TOWER A UNIT #(S):
403, 503, 603, 703, 803 & 903

TOWER A UNIT COUNT : 6

UNIT NET AREA : 1,296 SF
TYPICAL TERRACE AREA : 166 SF

SCALE: 1/8" = 1'-0"

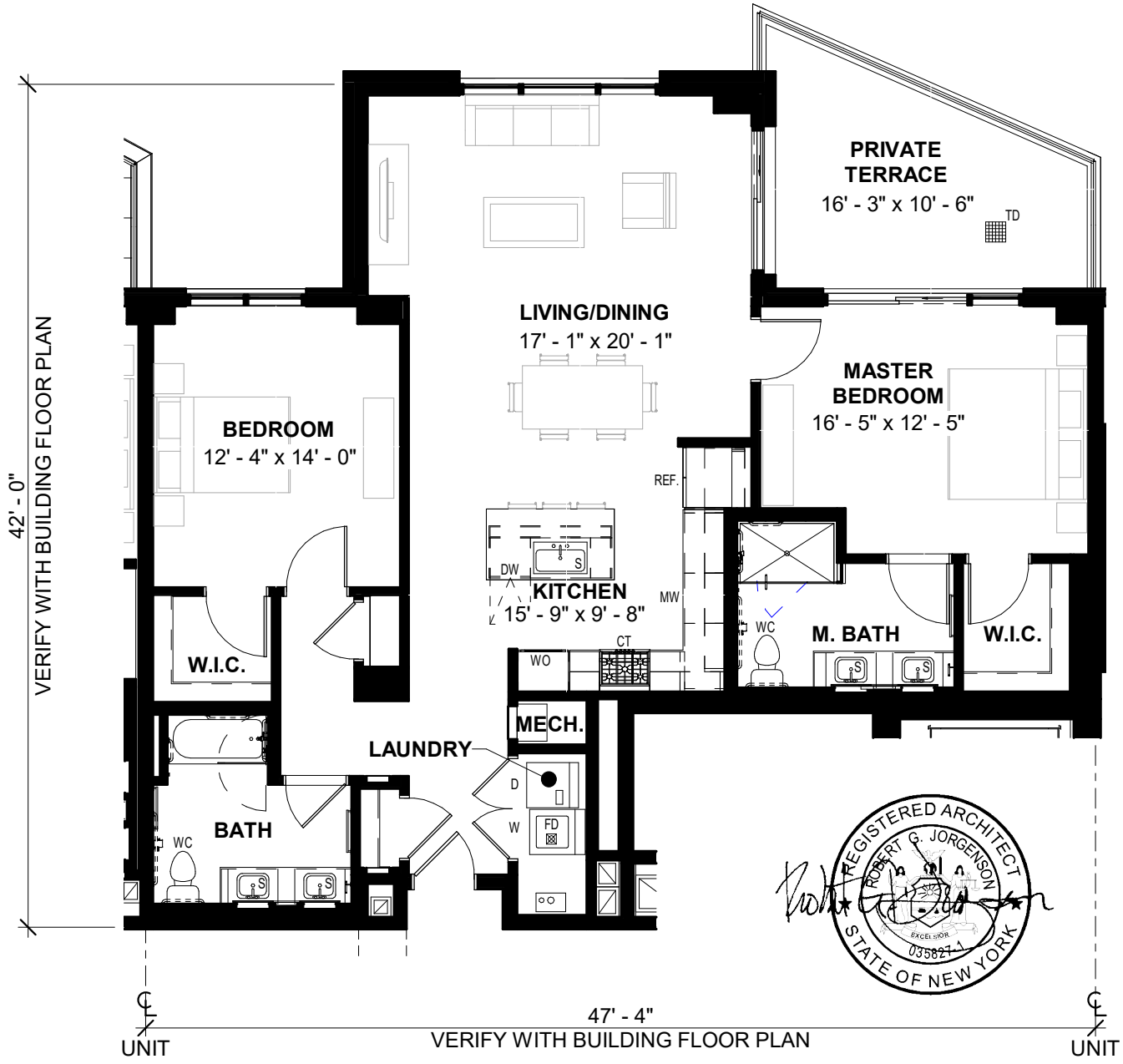
UNIT B-02 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-02.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



TOWER A UNIT #(S):
404, 504, 604, 704, 804, 904 & 1004

TOWER A UNIT COUNT : 7

UNIT NET AREA : 1,296 SF
TYPICAL TERRACE AREA : 166 SF

SCALE: 1/8" = 1'-0"

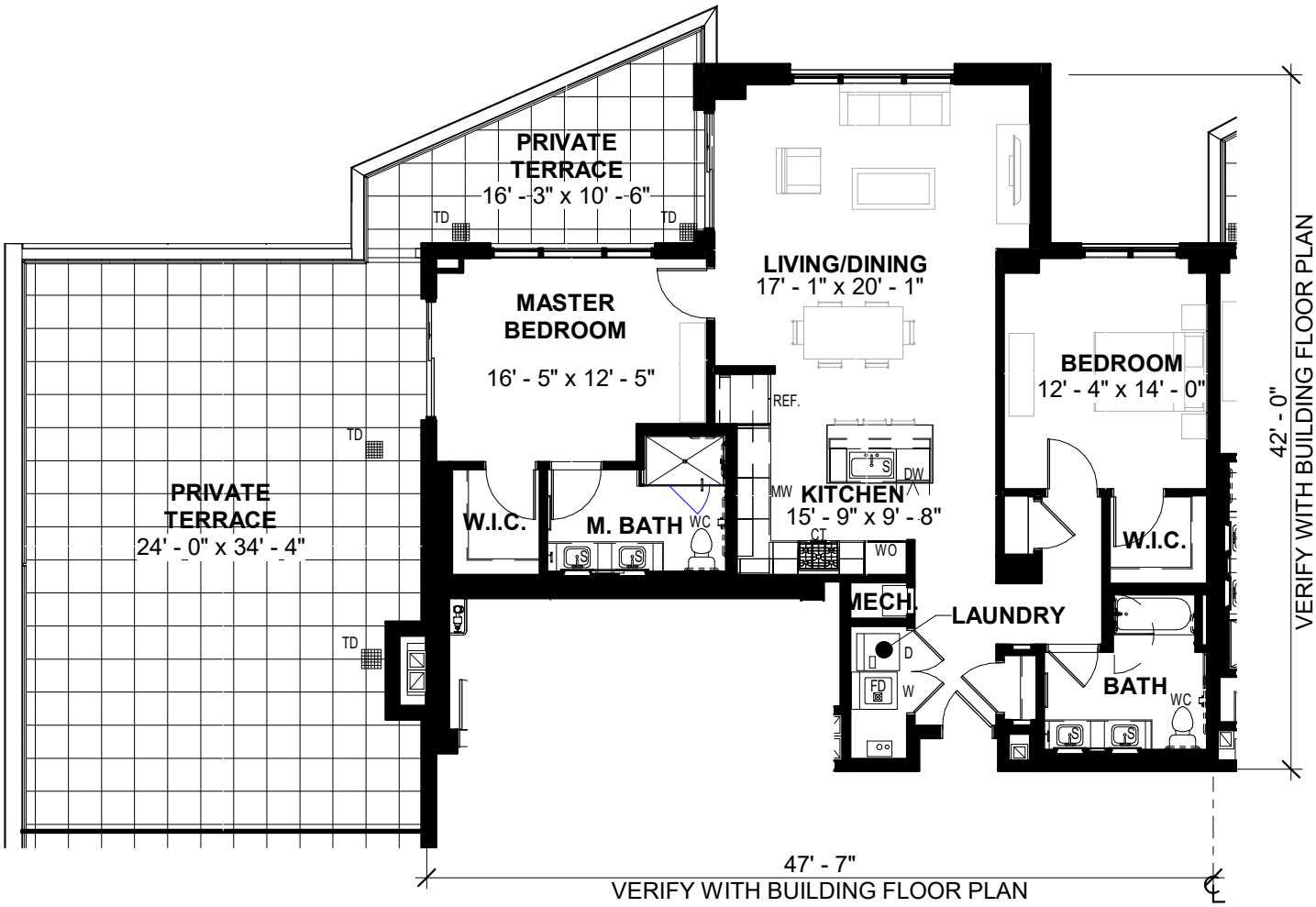
UNIT B-02 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-02.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #:
PH-1

TOWER A UNIT COUNT : 1

UNIT NET AREA : 1,296 SF
TERRACE AREA : 993 SF

SCALE: 3/32" = 1'-0"

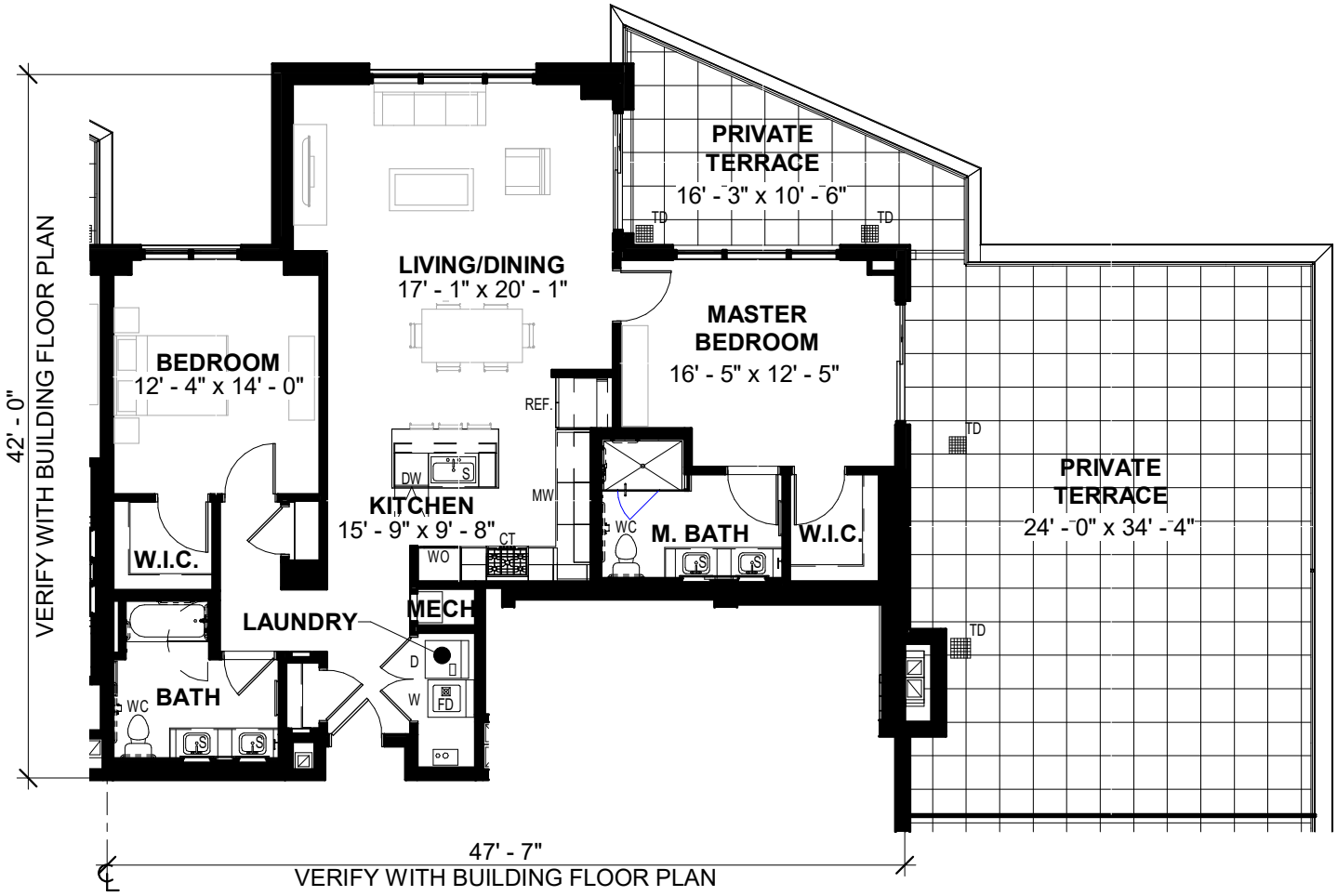
UNIT B-02 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-02.3
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



UNIT

REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827
STATE OF NEW YORK

TOWER A UNIT #:
PH-2

TOWER A UNIT COUNT : 1

UNIT NET AREA : 1,296 SF
TERRACE AREA : 993 SF

SCALE: 3/32" = 1'-0"

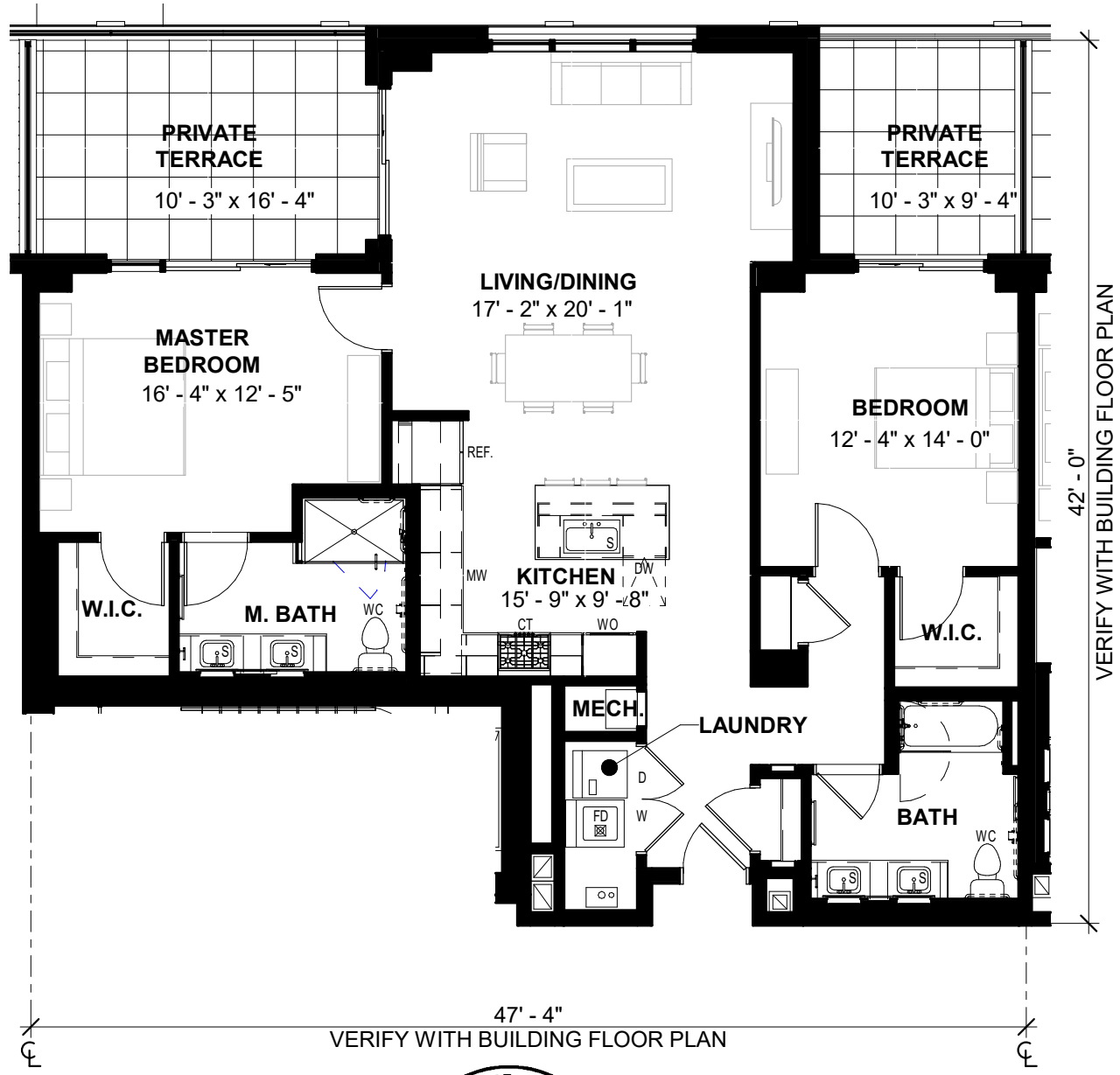
UNIT B-02 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-02.4
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #:
LANAI 1

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,296 SF
TERRACE AREA : 264 SF

SCALE: 1/8" = 1'-0"

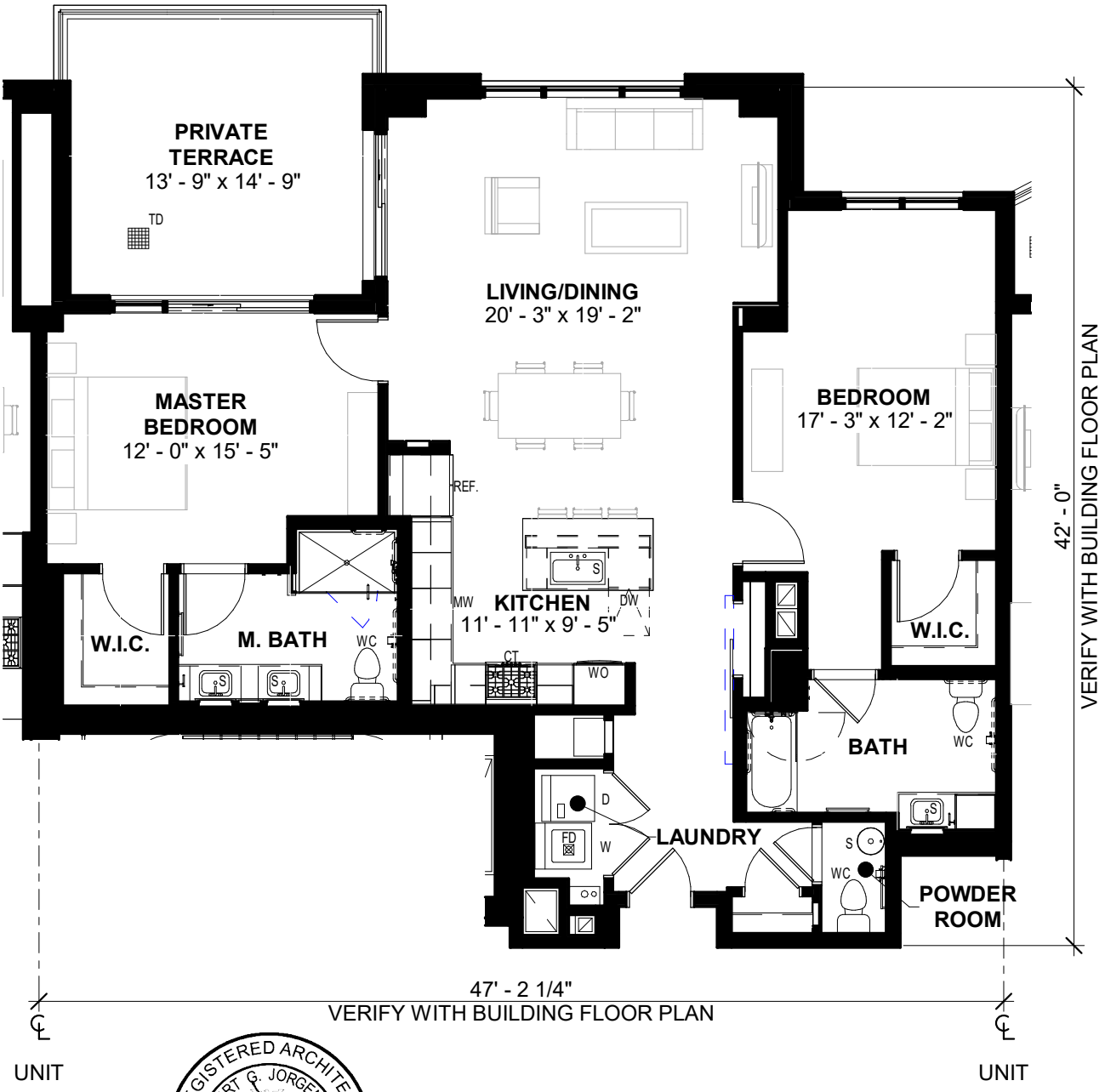
UNIT B-02 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-02.5
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
409, 509, 609, 709, 809, 909, 1009 & PH-5

TOWER A UNIT COUNT : 8

UNIT NET AREA : 1,324 SF
TERRACE AREA : 211 SF

SCALE: 1/8" = 1'-0"

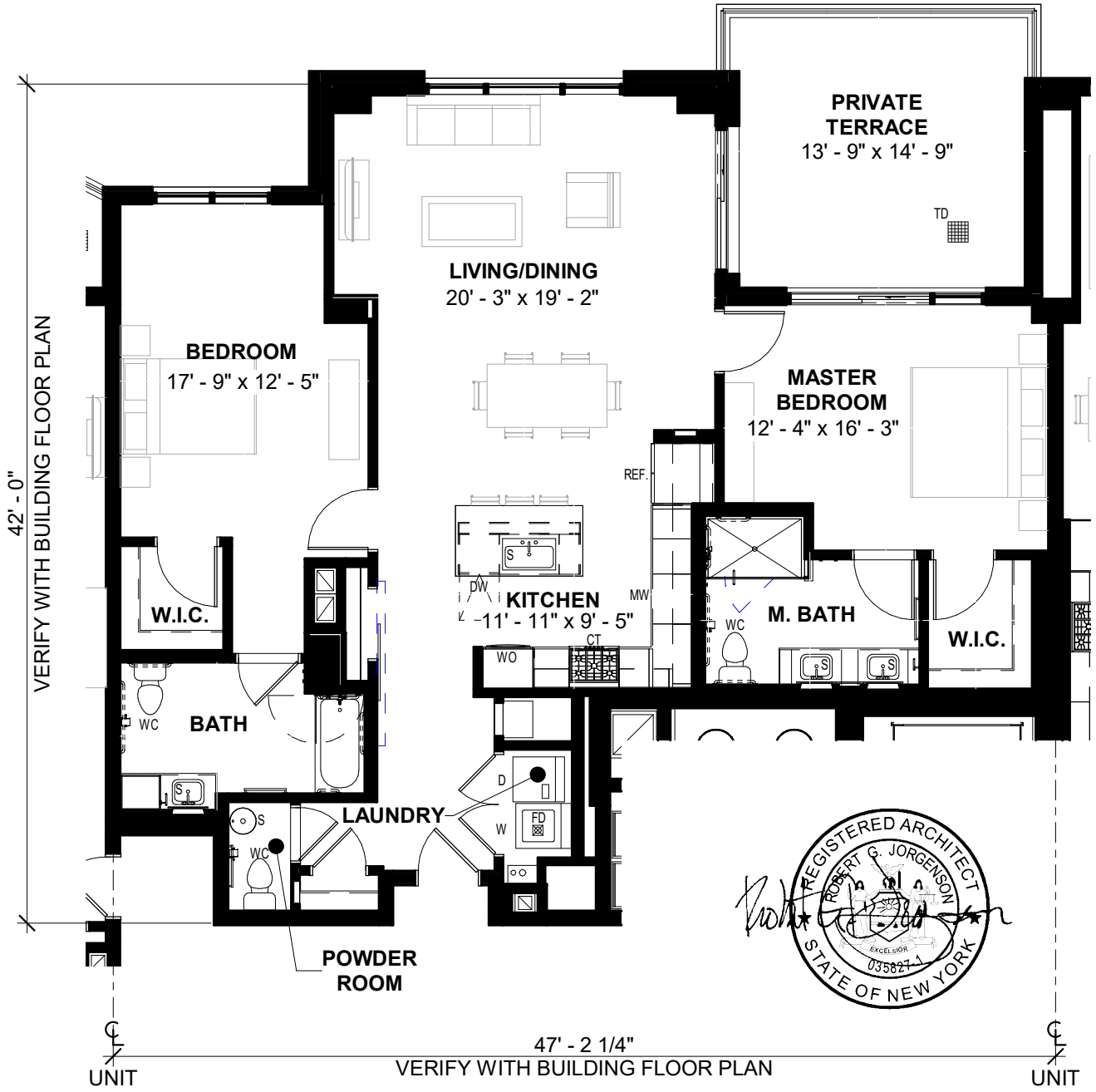
UNIT B-03 - TWO BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-03.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



TOWER A UNIT #(S):
410, 510, 610, 710, 810, 910, 1010 & PH-6

TOWER A UNIT COUNT : 8

UNIT NET AREA : 1,324 SF
TERRACE AREA : 211 SF

SCALE: 1/8" = 1'-0"

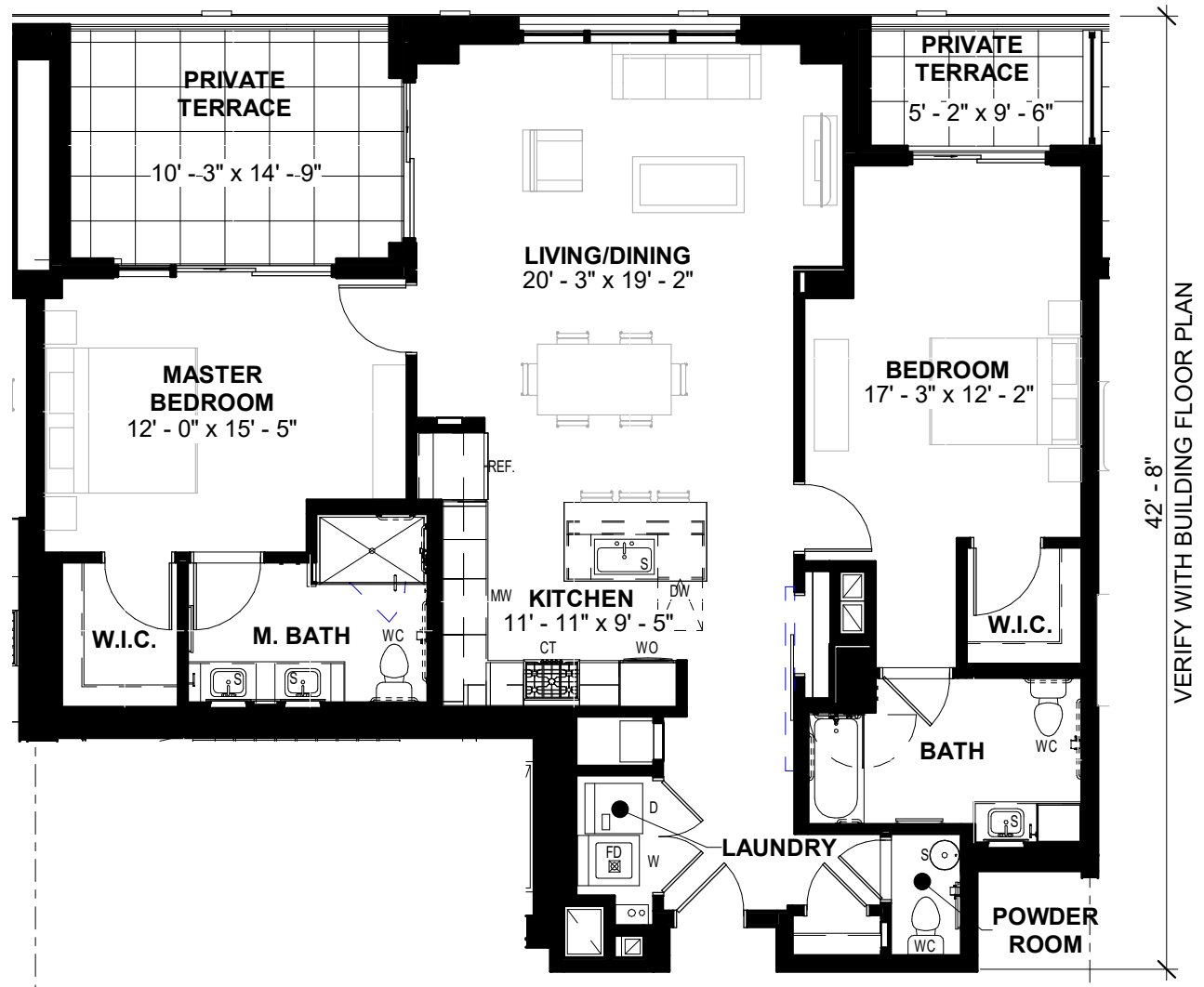
UNIT B-03 - TWO BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-03.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT ROBERT G. JORGENSON EXCELSIOR 035827 STATE OF NEW YORK

TOWER A UNIT #: LANIA 5

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,324 SF
TERRACE AREA : 205 SF

SCALE: 1/8" = 1'-0"

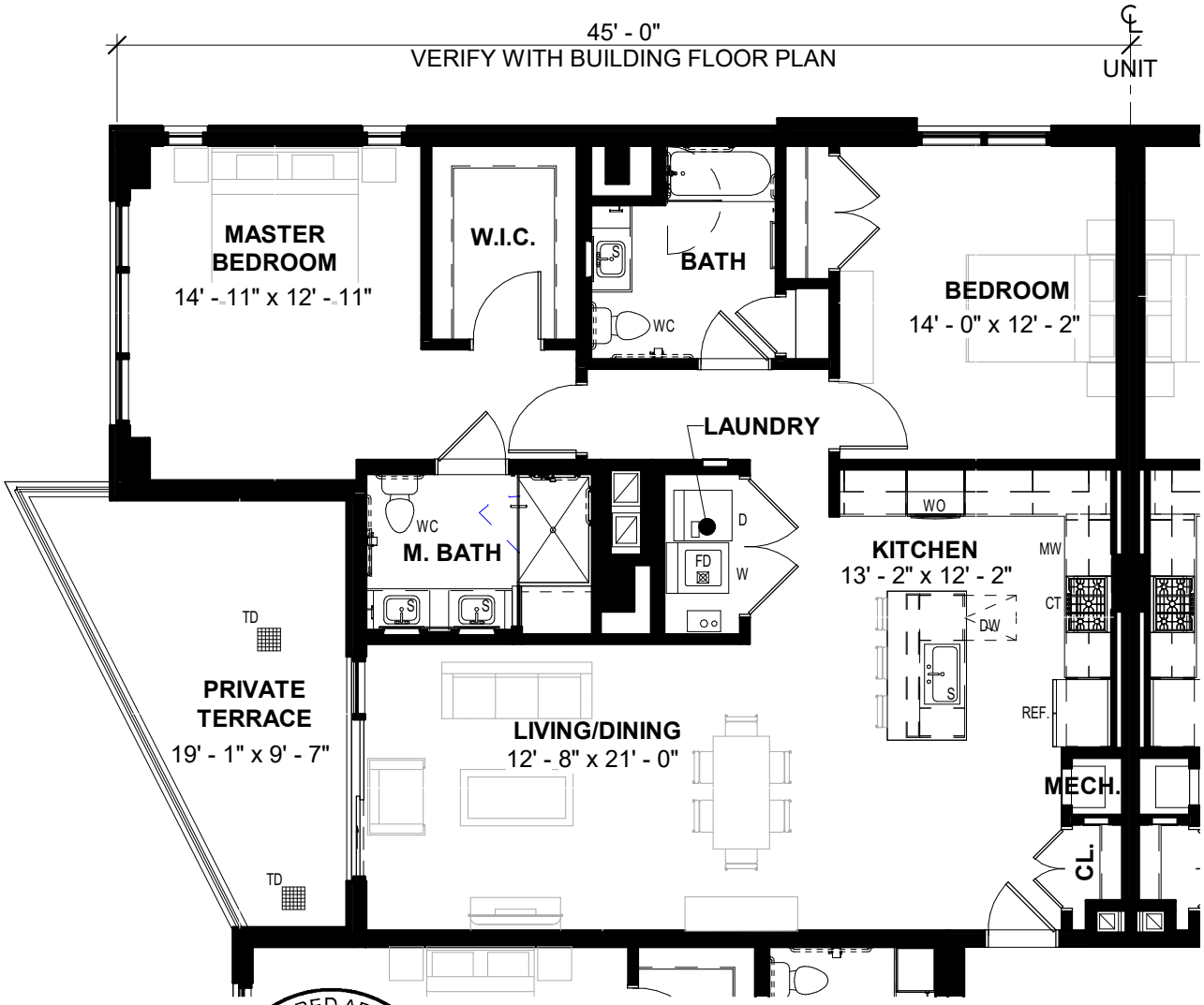
UNIT B-03 - TWO BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-03.3
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
411, 511, 611, 811, 911, 1011 & PH-7

TOWER A UNIT COUNT : 7

UNIT NET AREA : 1,277 SF
TERRACE AREA : 188 SF

SCALE: 1/8" = 1'-0"

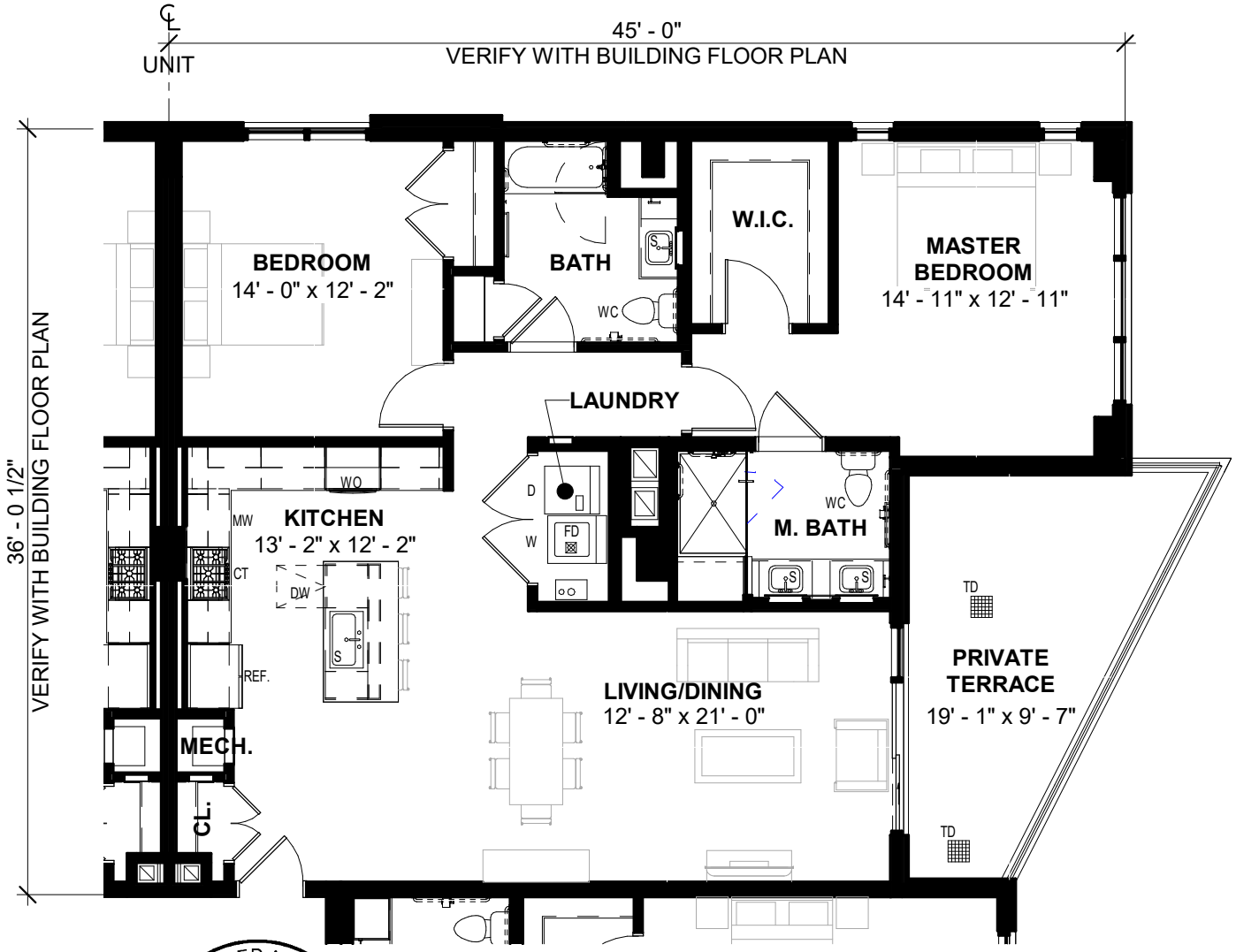
UNIT B-04 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-04.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #(S):
412, 512, 612, 812, 912, 1012 & PH-8

TOWER A UNIT COUNT : 7

UNIT NET AREA : 1,277 SF
TERRACE AREA : 188 SF

SCALE: 1/8" = 1'-0"

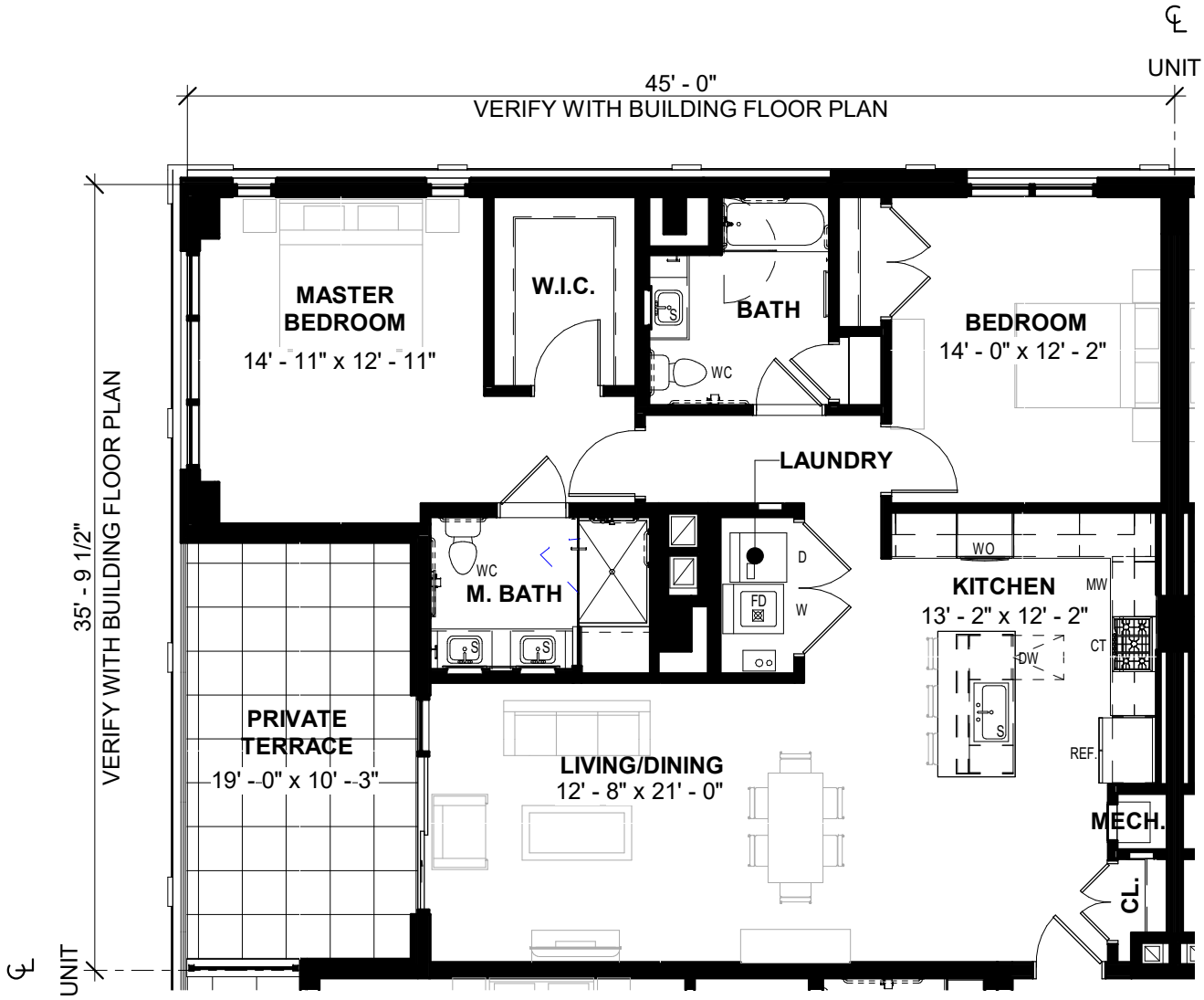
UNIT B-04 - TWO BEDROOMS, TWO BATHS

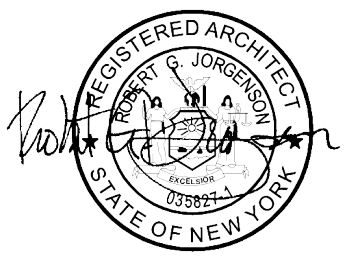
05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-04.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN





TOWER A UNIT #:
LANAI 7

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,277 SF
TERRACE AREA : 197 SF

SCALE: 1/8" = 1'-0"

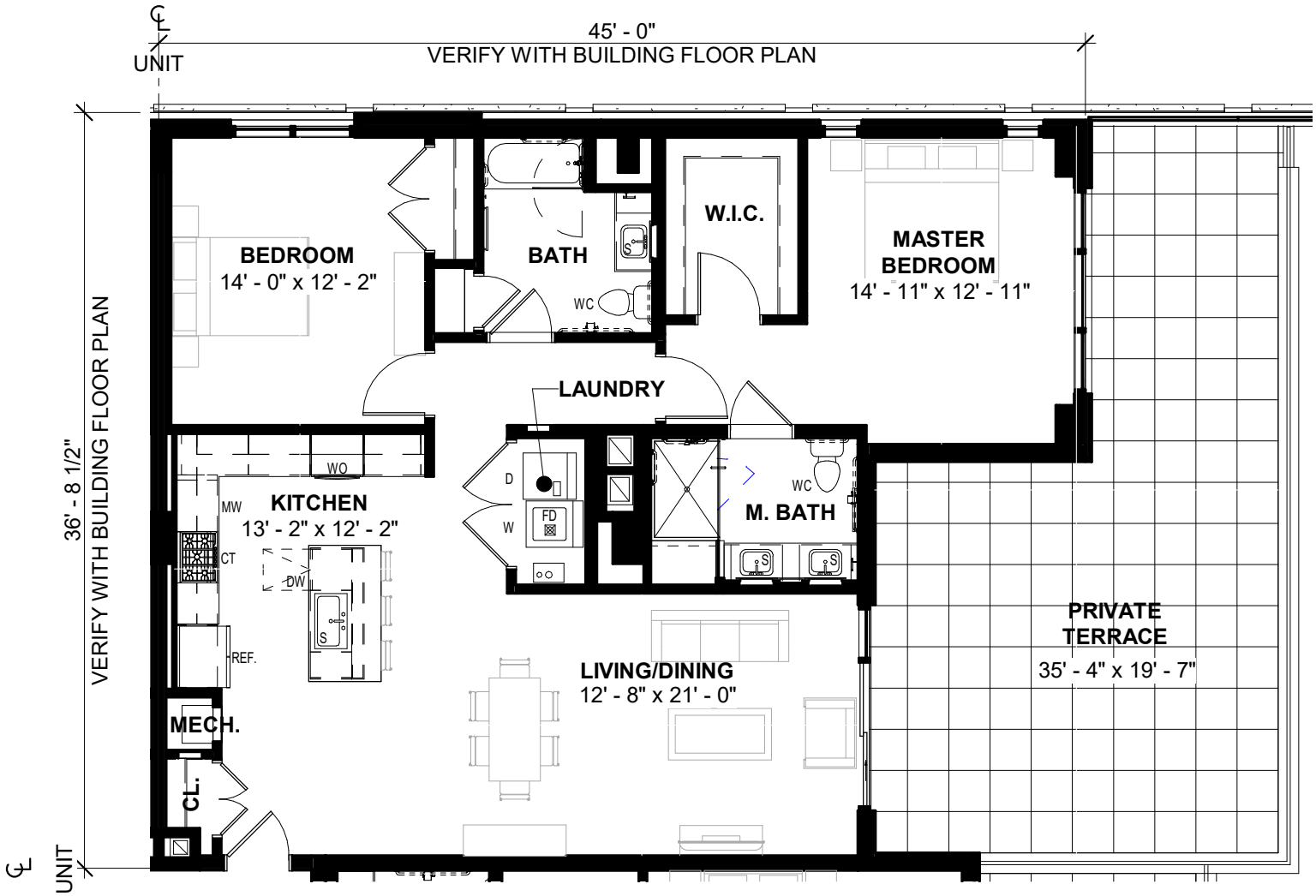
UNIT B-04 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-04.3
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827
STATE OF NEW YORK

TOWER A UNIT #:
LANAI 8

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,277 SF
TERRACE AREA : 525 SF

SCALE: 1/8" = 1'-0"

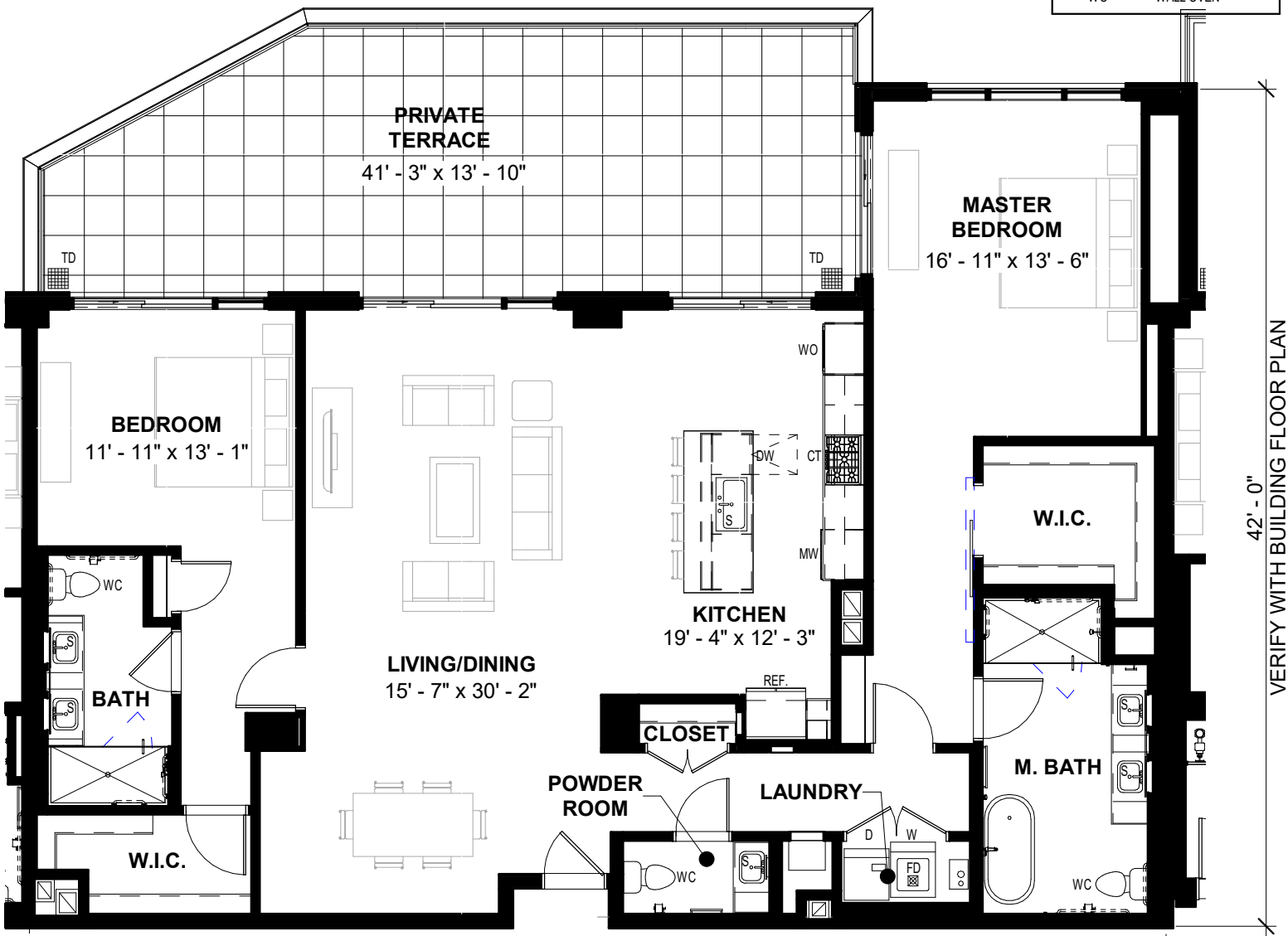
UNIT B-04 - TWO BEDROOMS, TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-04.4
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #: PH-3

TOWER A UNIT COUNT : 1

UNIT NET AREA : 1,779 SF
TERRACE AREA : 509 SF

SCALE: 1/8" = 1'-0"

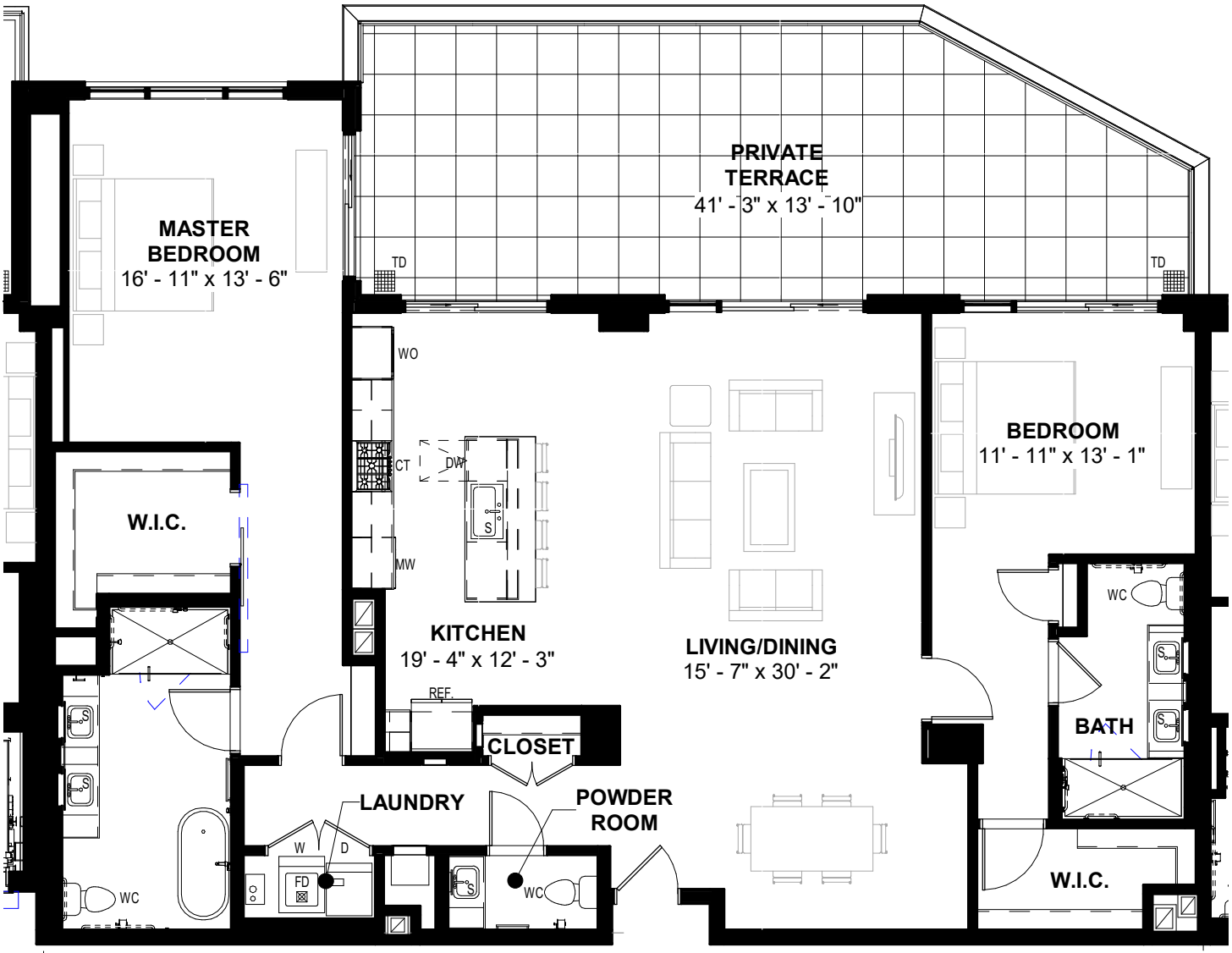
UNIT B-06 - TWO BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-06.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #: PH-4

TOWER A UNIT COUNT : 1

UNIT NET AREA : 1,779 SF
TERRACE AREA : 509 SF

SCALE: 1/8" = 1'-0"

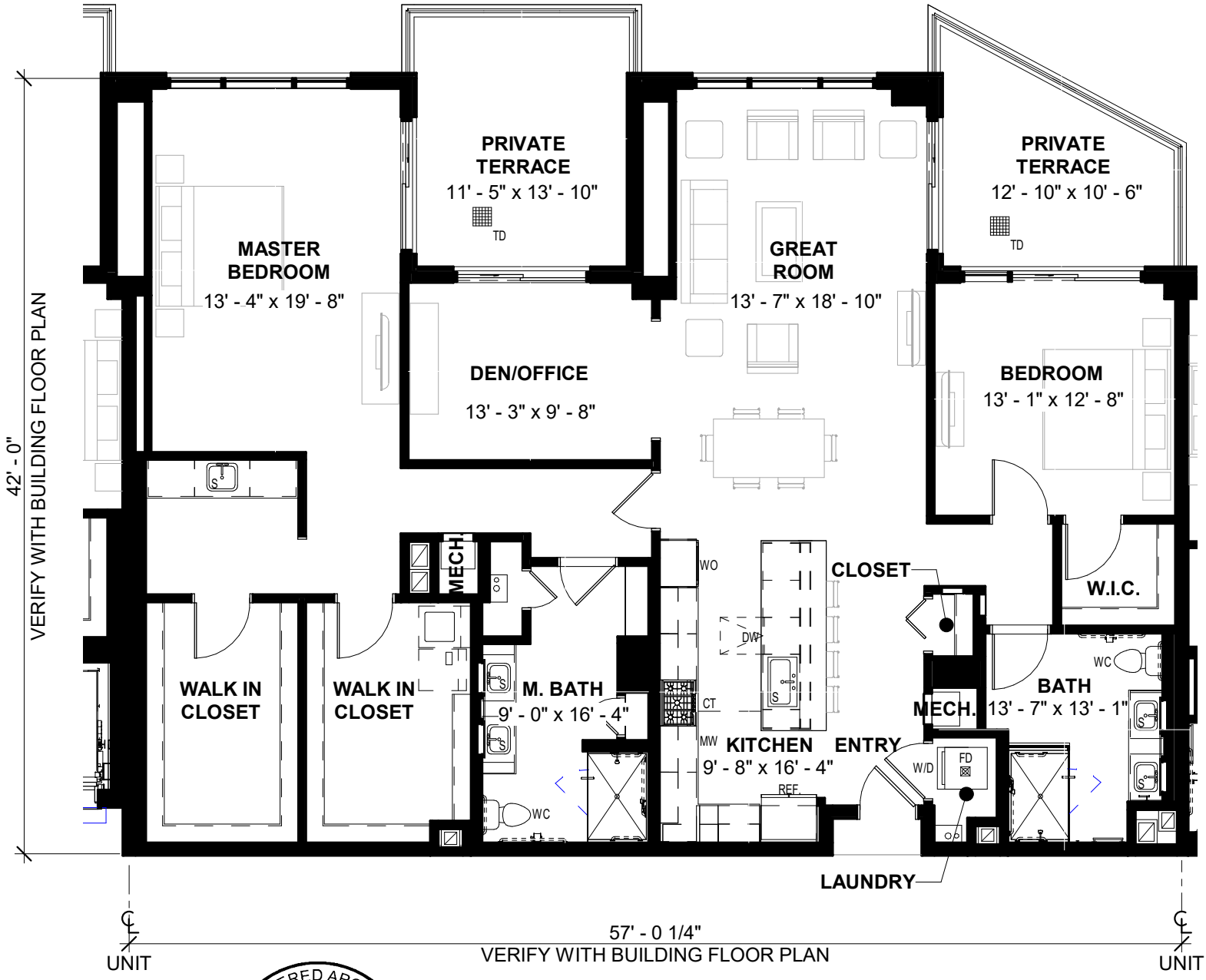
UNIT B-06 - TWO BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-06.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
STATE OF NEW YORK
035827-1
EXCELSIOR

TOWER A UNIT #:
506

TOWER A UNIT COUNT : 1
UNIT NET AREA : 1,918 SF
TERRACE AREA : 301 SF

SCALE: 1/8" = 1'-0"

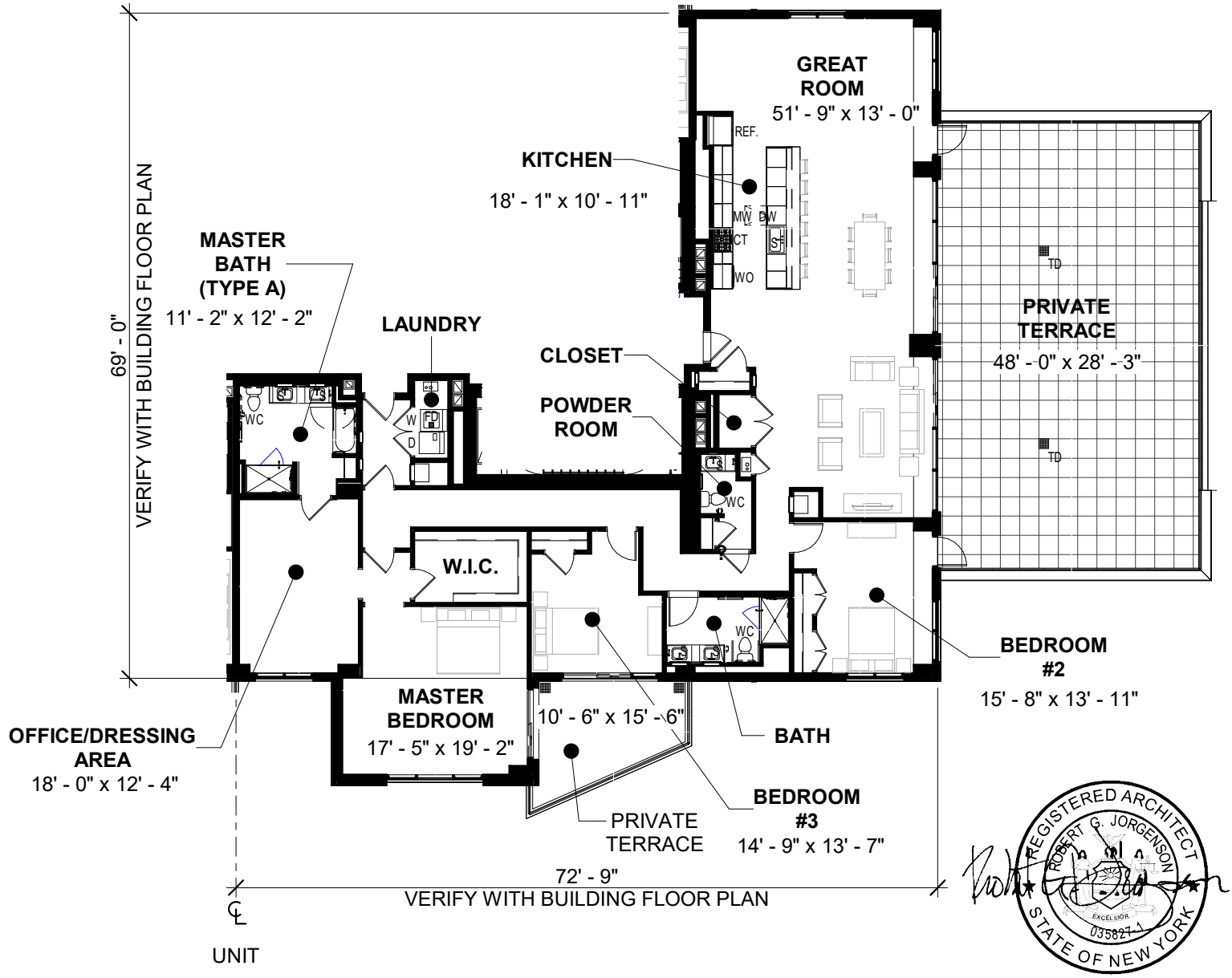
UNIT B-07 - TWO BEDROOMS. TWO BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UB-07.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #: 1001

TOWER A UNIT COUNT : 1

UNIT NET AREA : 2,848 SF
TERRACE AREA : 1,459 SF

SCALE: 1/16" = 1'-0"

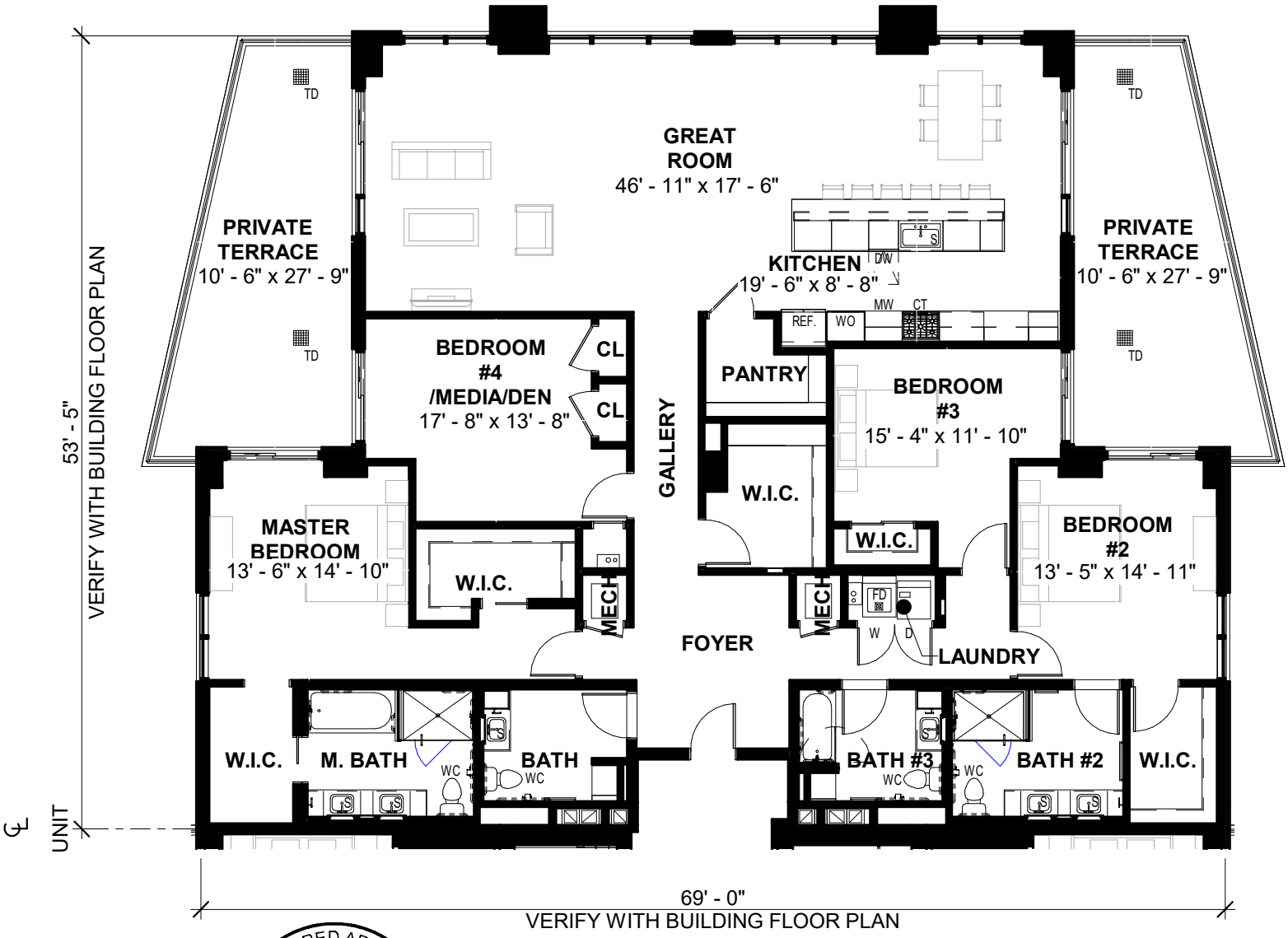
UNIT C-01 - THREE BEDROOMS, TWO BATHS, ONE POWDER RM.

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UC-01.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

ABBREVIATION	
CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #: 501

TOWER A UNIT COUNT : 1
UNIT NET AREA : 2,845 SF
TERRACE AREA : 596 SF

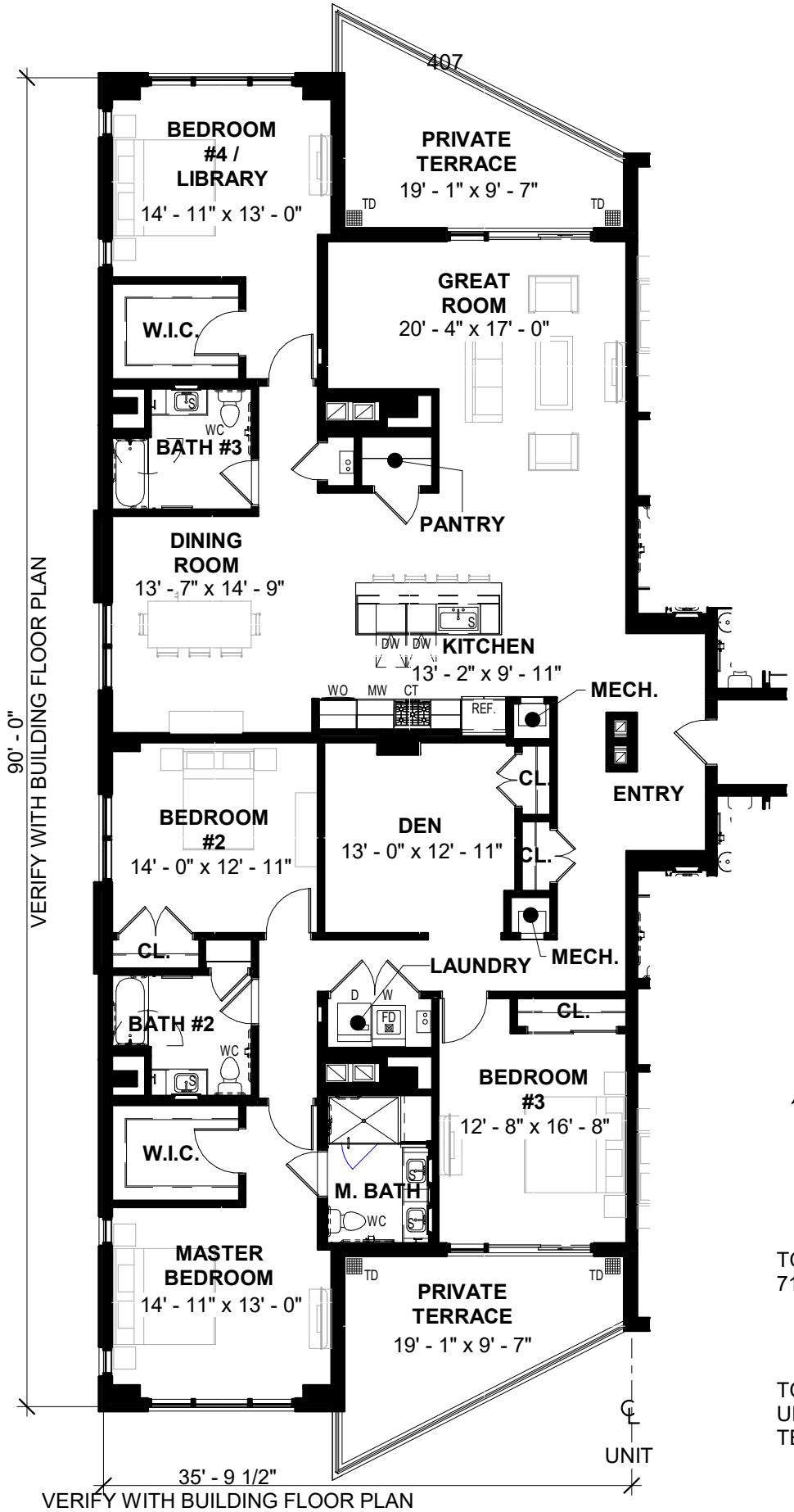
SCALE: 3/32" = 1'-0"

UNIT D-01 - FOUR BEDROOMS, THREE BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UD-01.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



ABBREVIATION

CT	COOKTOP
D	DRYER
DW	DISHWASHER
FD	FLOOR DRAIN
REF	REFRIGERATOR
S	SINK
TD	TERRACE DRAIN
W	WASHER
WC	WATER CLOSET
WO	WALL OVEN

REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

TOWER A UNIT #:
711

TOWER A UNIT COUNT : 1
UNIT NET AREA : 2,658 SF
TERRACE AREA : 376 SF

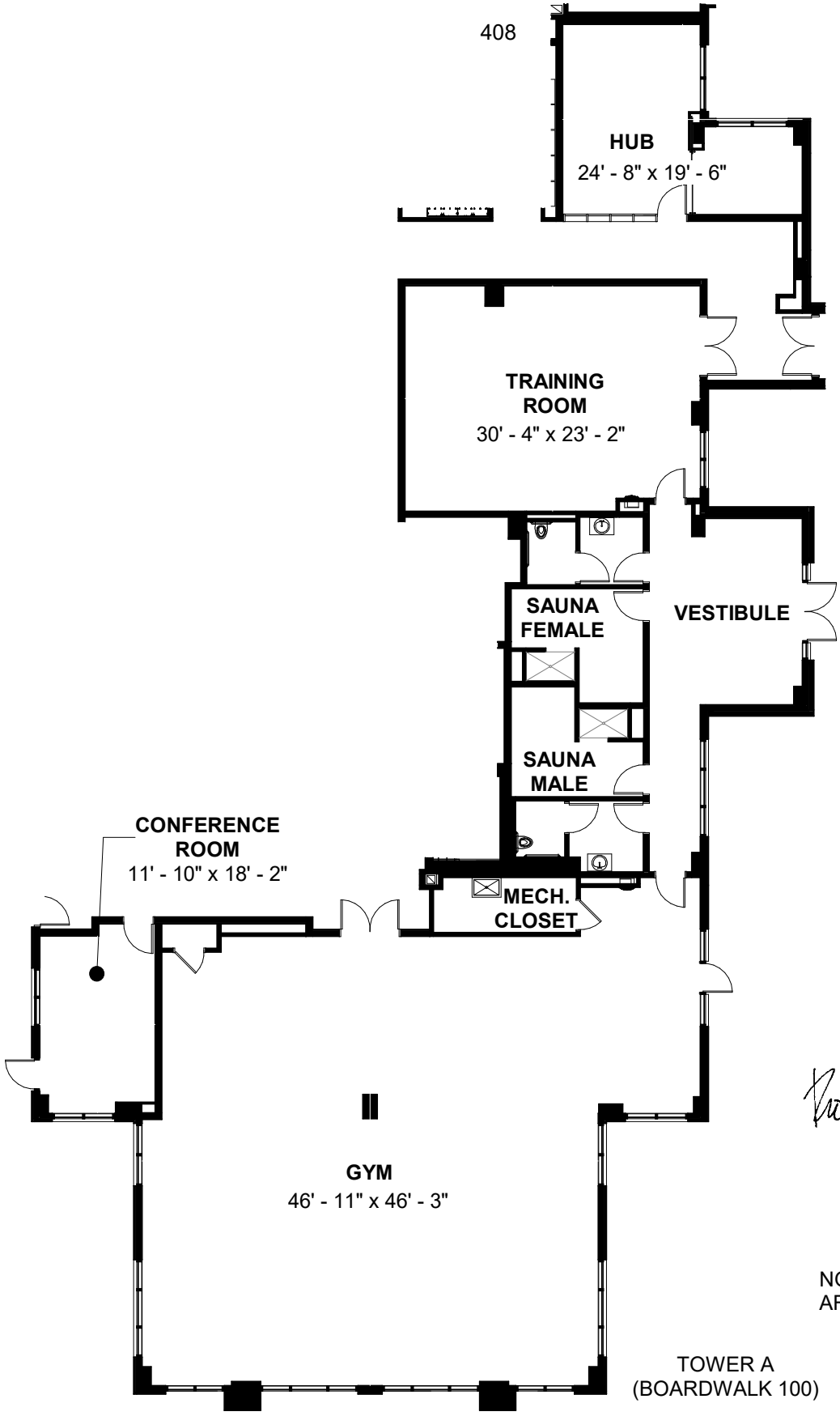
SCALE: 3/32" = 1'-0"

UNIT D-02 - FOUR BEDROOMS, THREE BATHS

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

UD-02.1
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

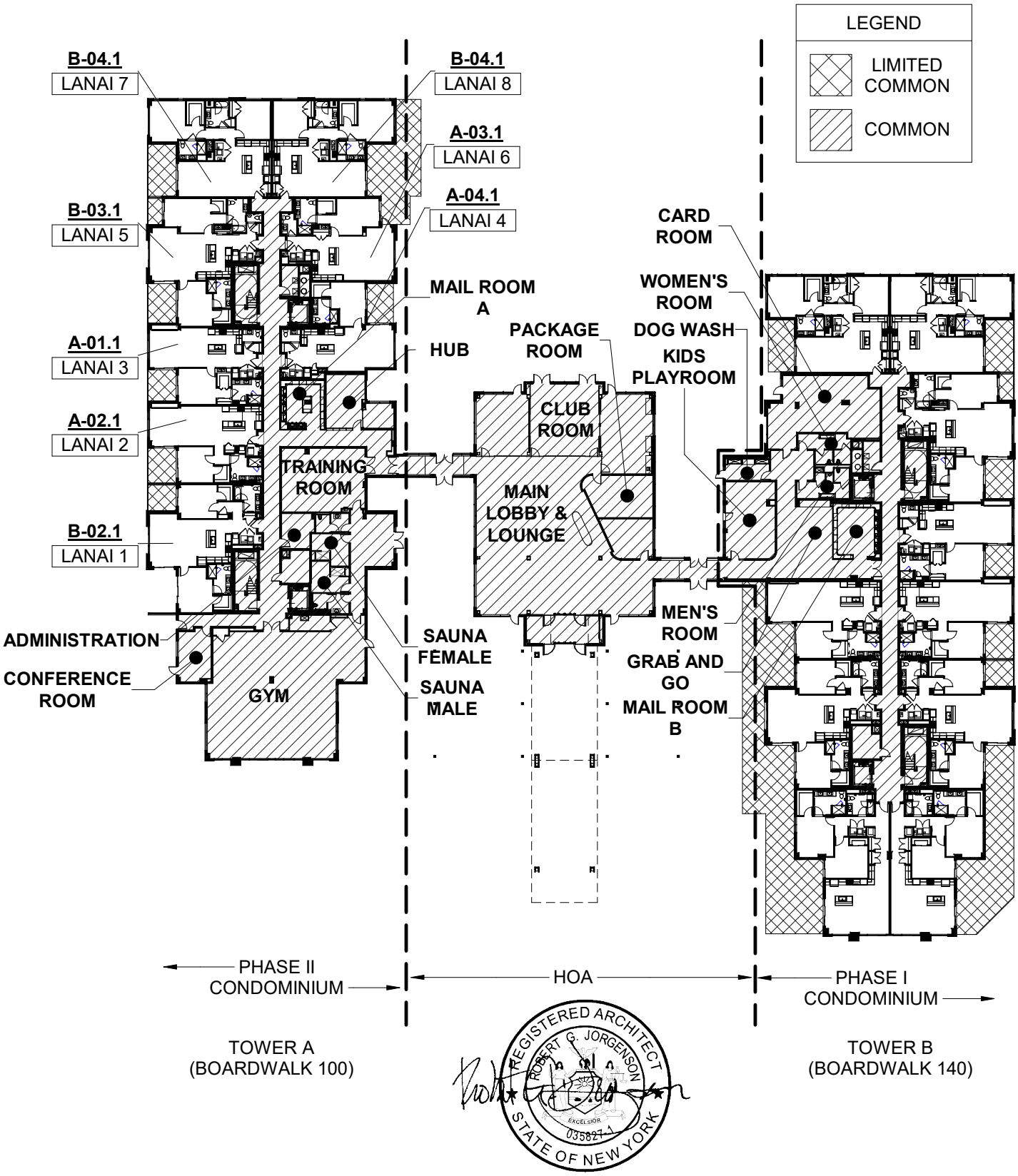
NOTE: ALL SPACES SHOWN ARE COMMON ELEMENTS.

TOWER A
(BOARDWALK 100)

SCALE: 1/16" = 1'-0" ENLARGED PLAN 07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

EP-2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



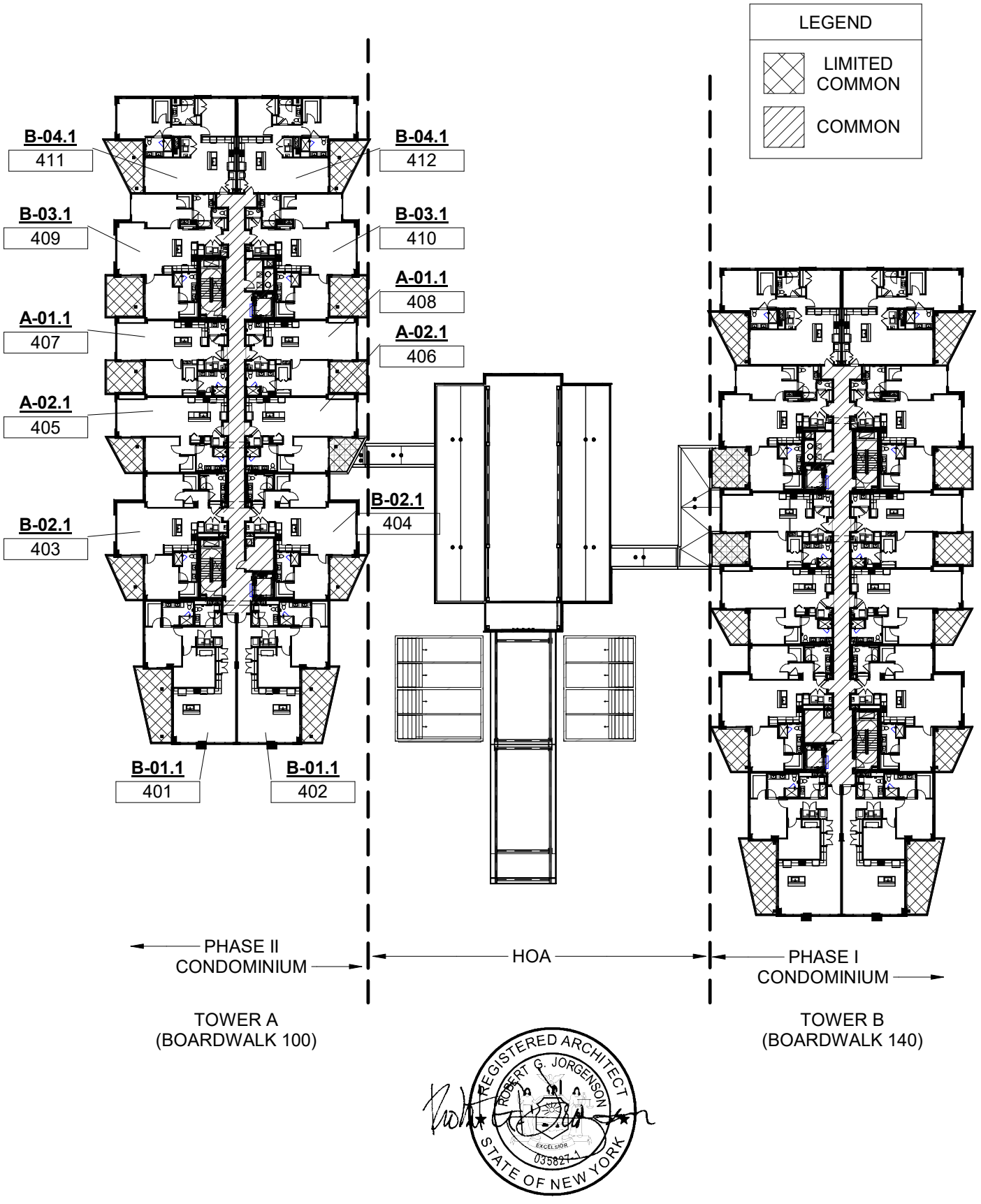
SCALE: 1" = 50'-0"

LANAI FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-L.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

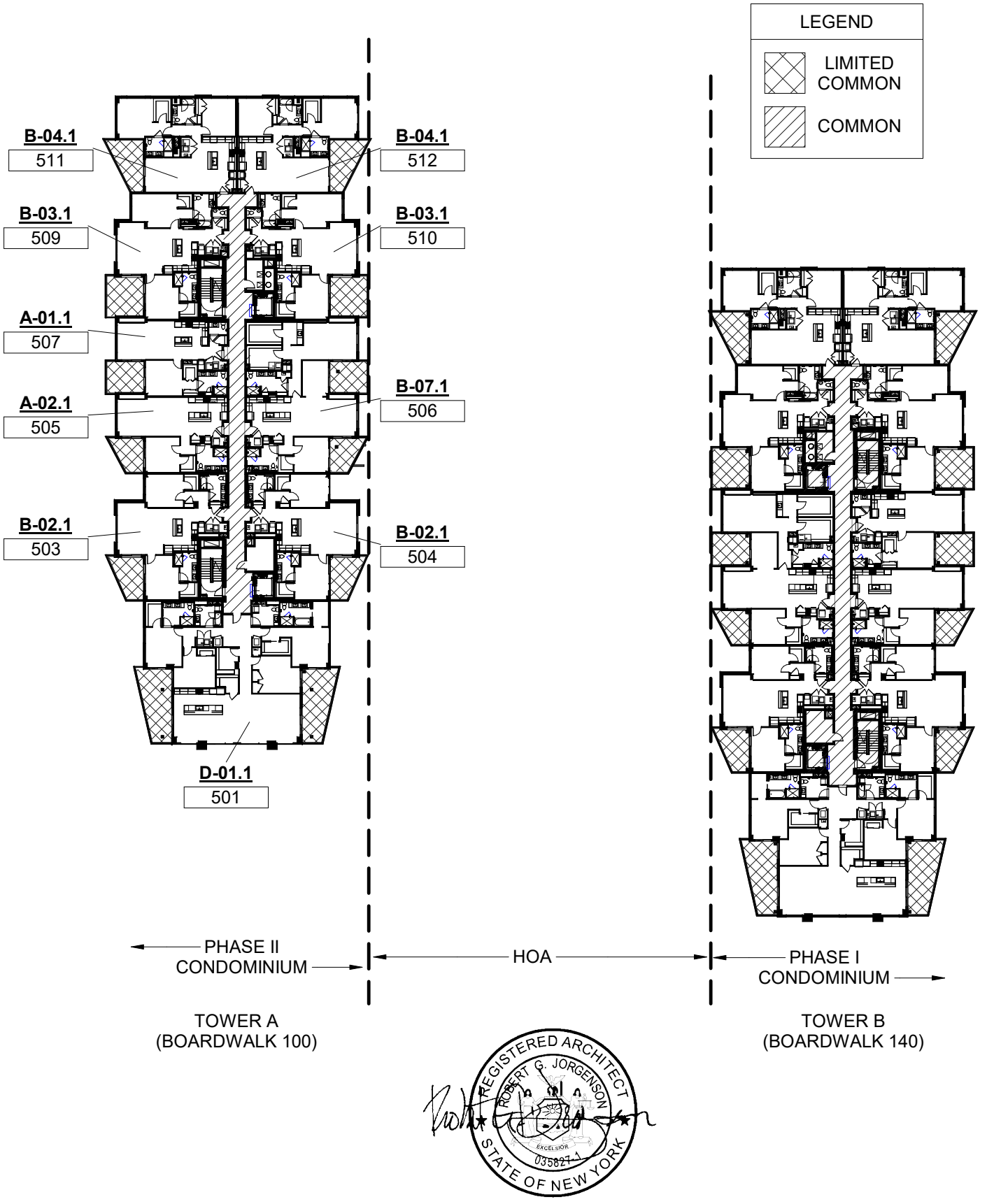
SCALE: 1" = 50'-0"

FOURTH, SIXTH, EIGHTH AND NINTH FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-4.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



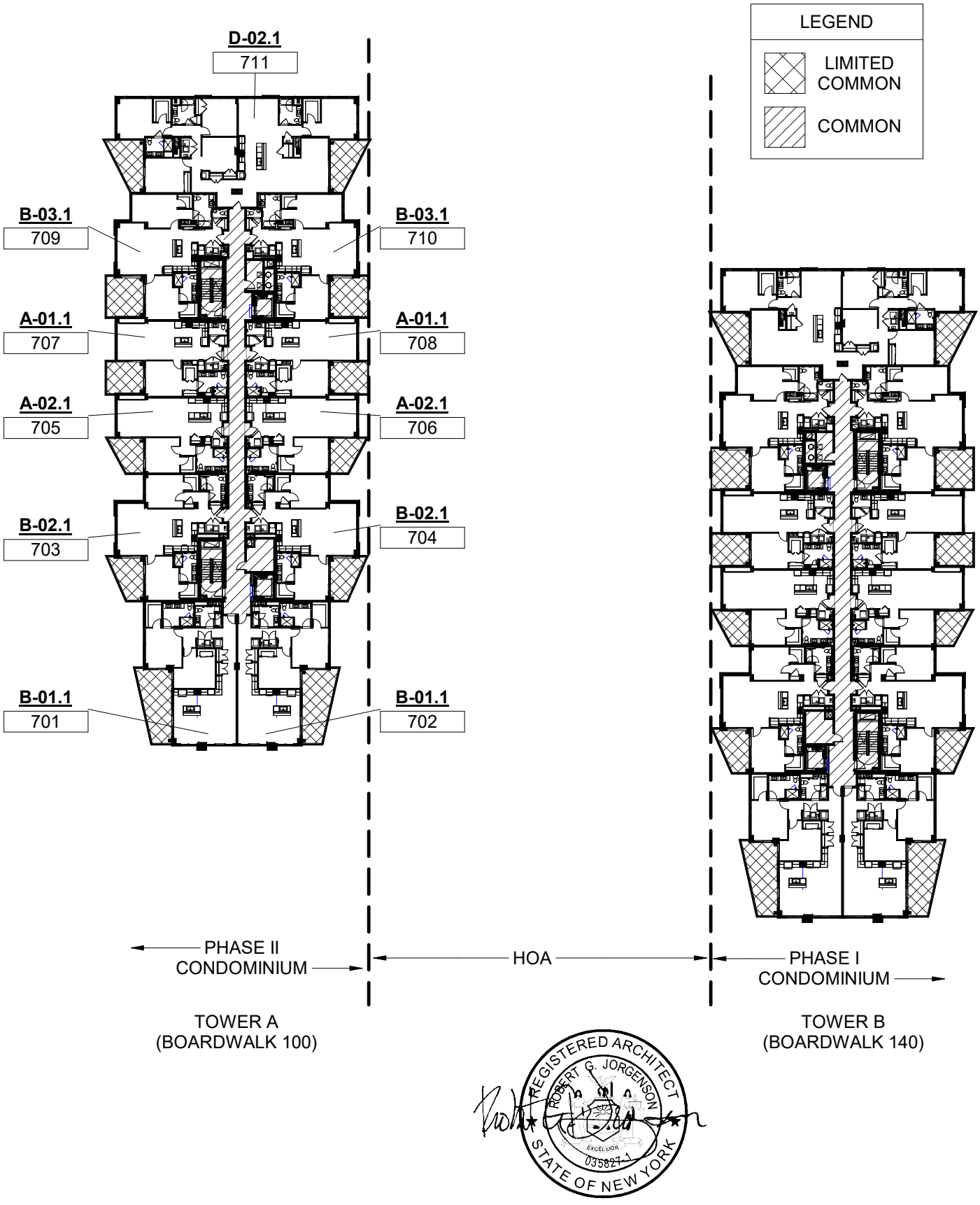
SCALE: 1" = 50'-0"

FIFTH FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-5.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



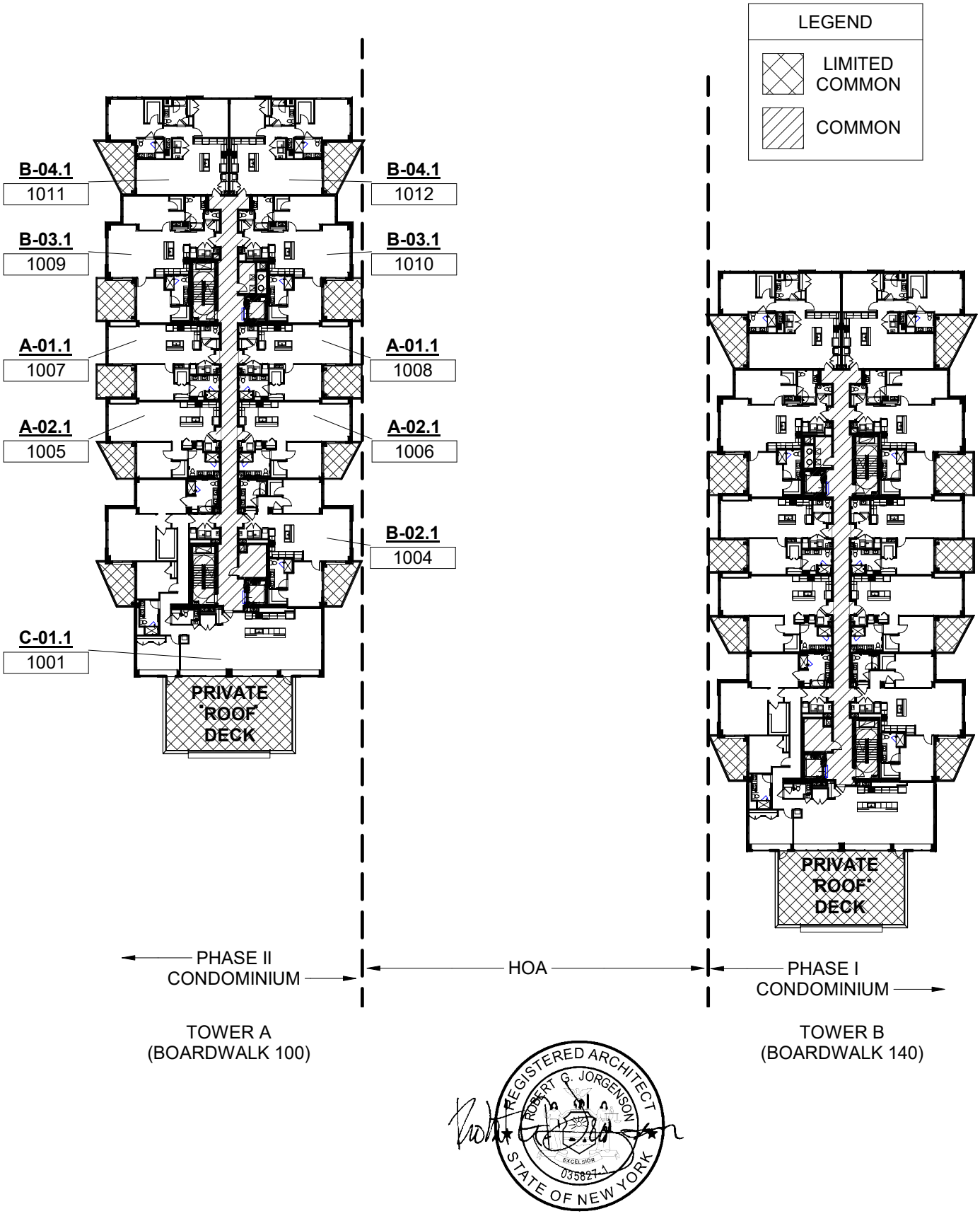
SCALE: 1" = 50'-0"

SEVENTH FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-7.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



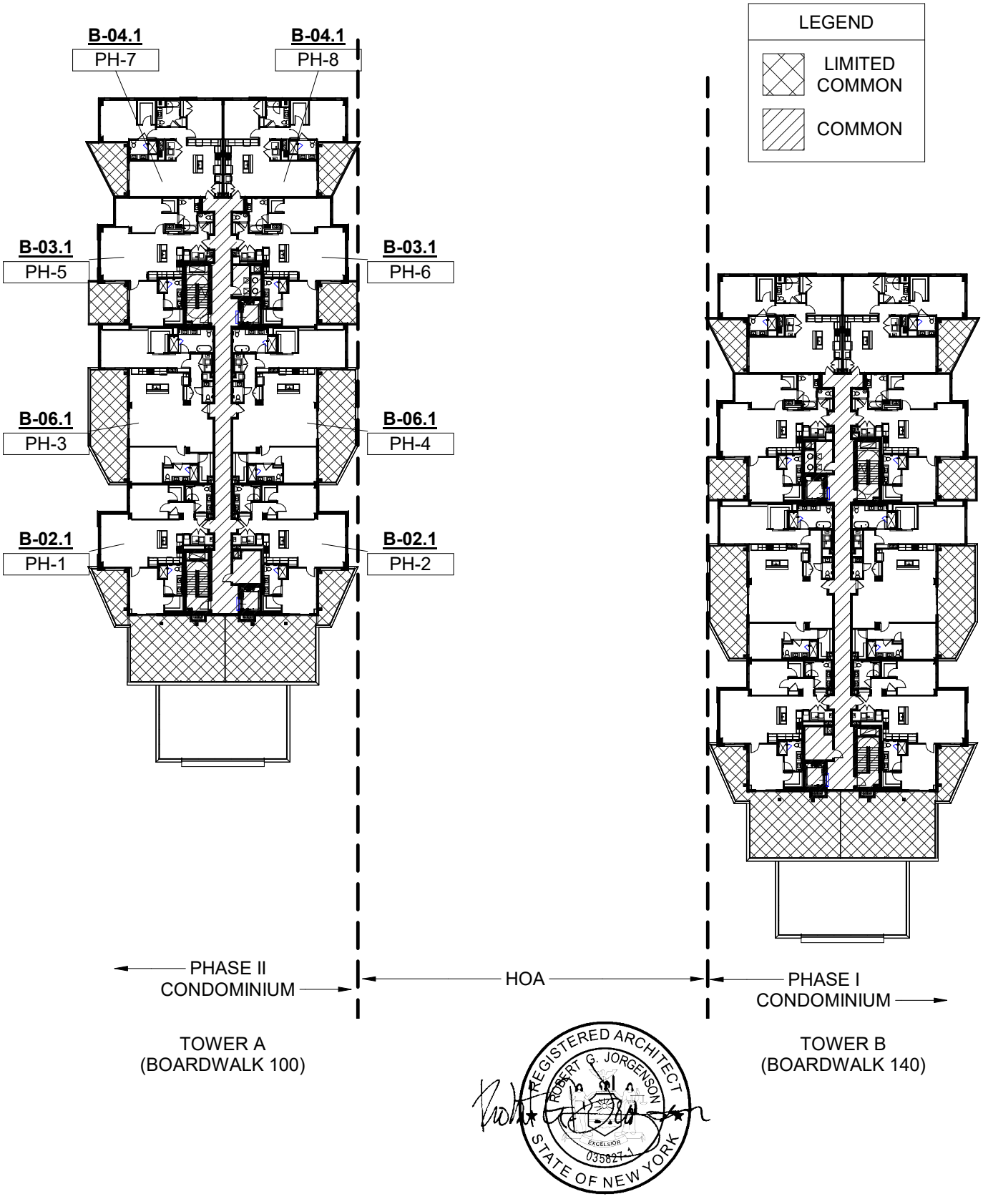
SCALE: 1" = 50'-0"

TENTH FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-10.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



REGISTERED ARCHITECT ROBERT G. JORGENSON EXCELSIOR 035827-1 STATE OF NEW YORK

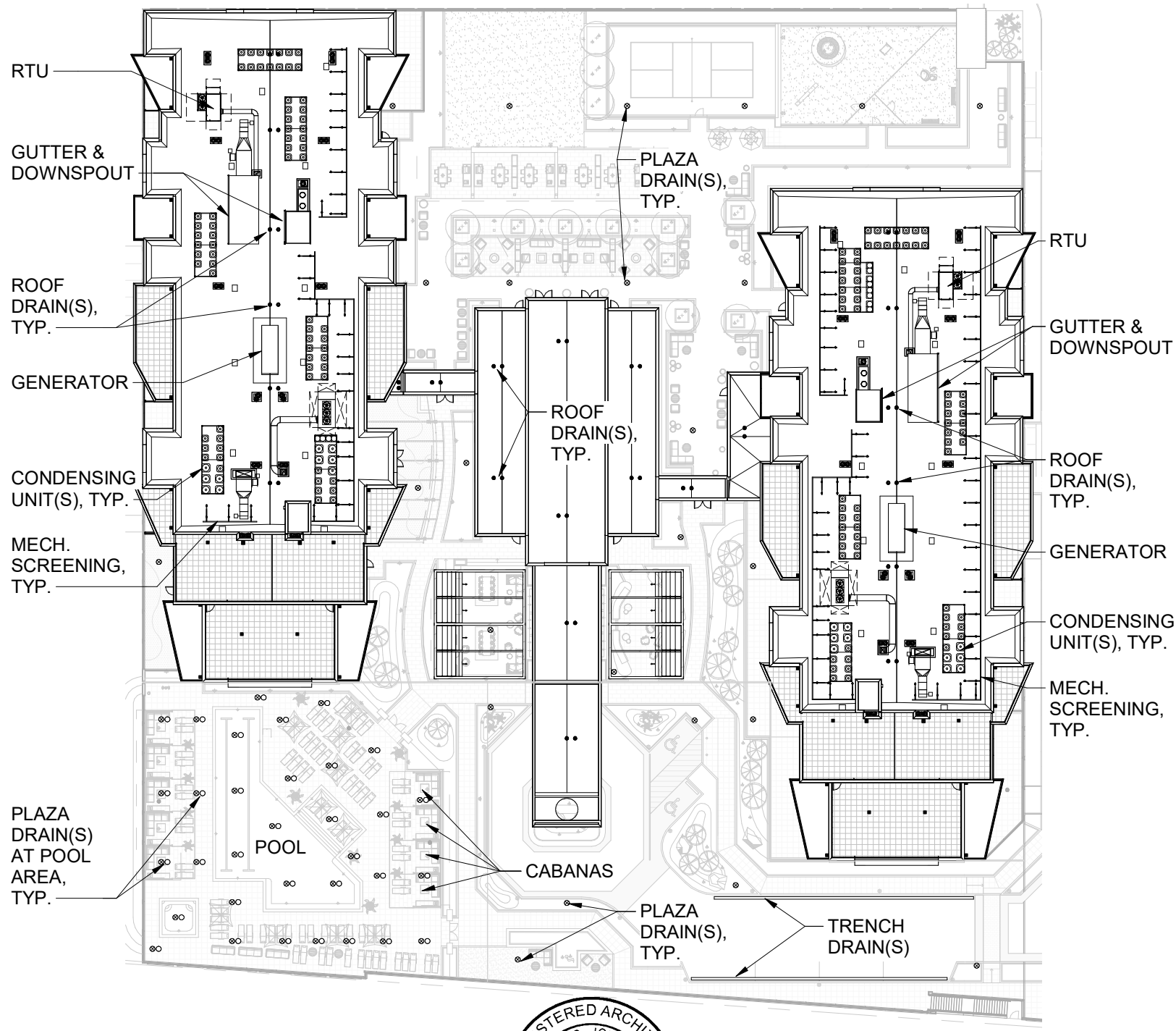
SCALE: 1" = 50'-0"

PENTHOUSE FLOOR PLAN

07/17/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-PH.2
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



TOWER A
(BOARDWALK 100)

TOWER B
(BOARDWALK 140)

REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

SCALE: 1" = 50'-0"

ROOF PLAN

07/17/23

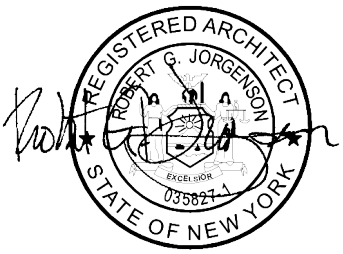
MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

FP-R
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

TOWER B
(BOARDWALK 140)

TOWER A
(BOARDWALK 100)
(BEYOND)





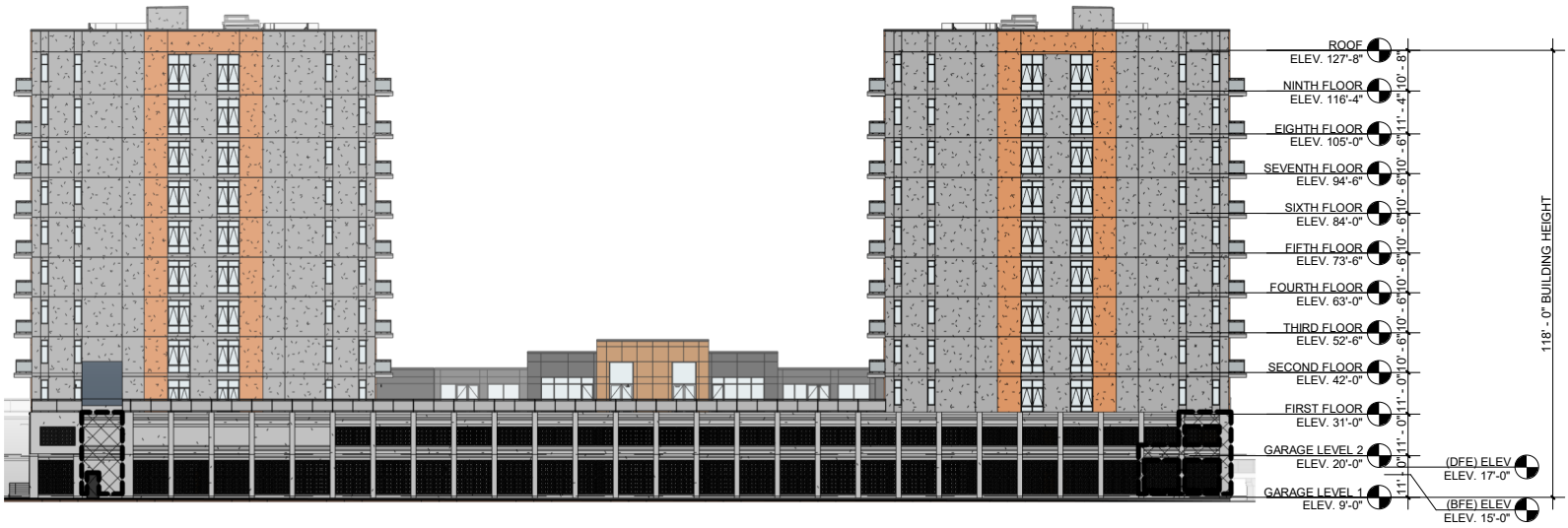
SCALE: 1" = 50'-0"

EAST ELEVATION

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

EL-E
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



TOWER B
(BOARDWALK 140)

TOWER A
(BOARDWALK 100)

REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

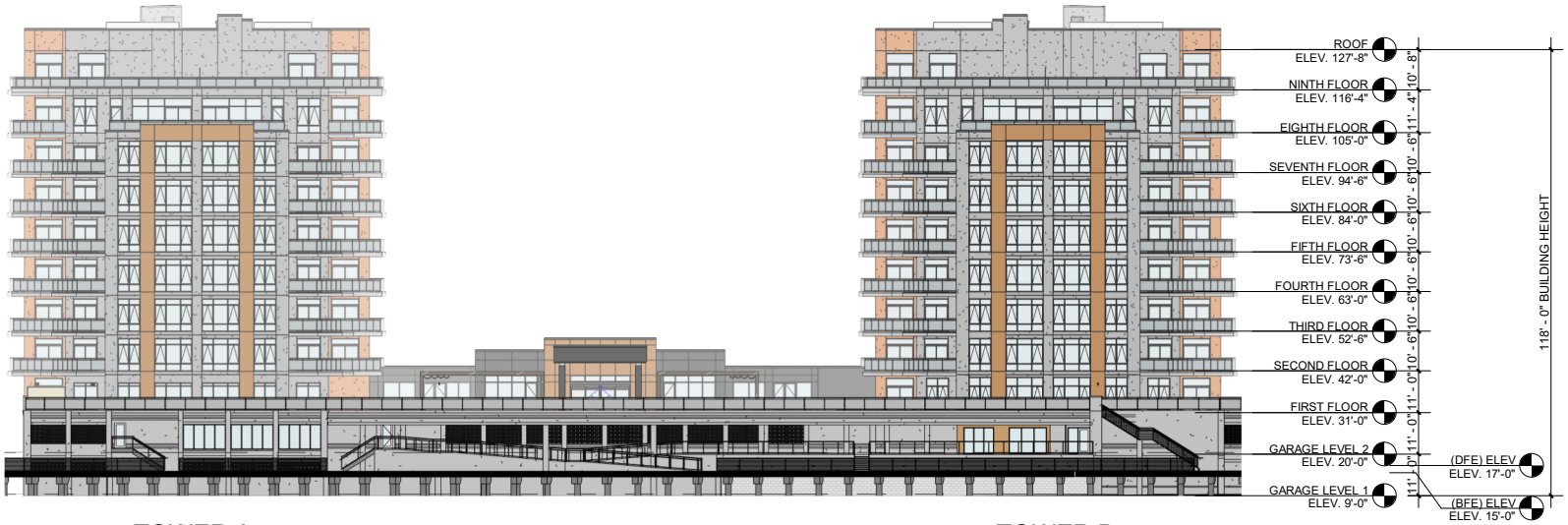
SCALE: 1" = 50'-0"

NORTH ELEVATION

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

EL-N
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02



TOWER A
(BOARDWALK 100)

TOWER B
(BOARDWALK 140)

REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

SCALE: 1" = 50'-0"

SOUTH ELEVATION

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

EL-S
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

TOWER A
(BOARDWALK 100)

TOWER B
(BOARDWALK 140)
(BEYOND)



REGISTERED ARCHITECT
ROBERT G. JORGENSON
EXCELSIOR
035827-1
STATE OF NEW YORK

SCALE: 1" = 50'-0"

WEST ELEVATION

05/10/23

MINNO ■ WASKO
ARCHITECTS AND PLANNERS
80 LAMBERT LANE, SUITE 105, LAMBERTVILLE, NEW JERSEY 08530

EL-W
Engel Burman at the Beach,LLC
LONG BEACH BOULEVARD
PROJECT NUMBER: 10-0583-02

SCHEDULE G-5

FEE TITLE DESCRIPTION

FEE TITLE DESCRIPTION

A "Residential Unit" as hereinafter referred to shall be measured as follows:

i. The approximate net square foot area of each Residential and Non-Residential Unit is measured horizontally paint to paint from the inside face of exterior wall to inside face of corridor or common area wall and inside face of partitions separating one Unit from another Unit.

ii. Columns and mechanical shafts are deducted from measurement of each Unit.

iii. Measured vertically, each Unit will consist of the volume from the top of the floor slap (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

iv. Terraces, exterior to the building envelope and complying with parapet and fencing height restrictions set forth in any zoning ordinance, are not subject to inclusion in Unit net area calculations. Terrace areas are provided separately and not included in Unit net areas.

SCHEDULE H

DECLARATION OF CONDOMINIUM

DECLARATION OF CONDOMINIUM

100 BOARDWALK CONDOMINIUM

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF PREMISES LOCATED AT BOARDWALK, CITY OF LONG BEACH, NASSAU COUNTY, STATE OF NEW YORK, PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK.

DECLARANT/SPONSOR: **ISLA BLU AT LONG BEACH LLC**
300 Jericho Turnpike, Suite 100
Jericho, New York 11753

DATE OF DECLARATION:

BLOCK:

FKA TAX LOTS:

NKA LOTS:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
Attn: Richard Herzbach, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

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PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF 100 BOARDWALK CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the City of Long Beach, Nassau County, State of New York on this ____ day of _____, 202___, Isla Blu At Long Beach LLC, a Delaware limited liability company, organized and existing under the laws of the State of Delaware, with a New York office situated in Jericho, New York, hereinafter referred to as the "Declarant" or "Sponsor" represented in this Declaration by _____, who is fully empowered and qualified to execute this Declaration on behalf of the company does hereby state:

FIRST: SUBMISSION OF PROPERTY.

By this Declaration the Sponsor submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY.

The Sponsor owns all that certain plot, piece or parcel of land, with the Building and improvements thereon erected, situate, lying and being in the City of Long Beach, Nassau County, State of New York, and more particularly bounded and described on Schedule A annexed hereto and made a part hereto. The property will initially consist of ninety-five (95) Residential Units and the Common Elements located in a building containing nine (9) floors over a two (2) level garage, which garage is owned by The Boardwalk Long Beach Homeowners Association.

THIRD: DEFINITIONS.

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

1. "100-140 Boardwalk Parcel" – The parcel of land comprising the Development, to be developed with two (2) towers each comprising a separate condominium.

2. "140 Boardwalk Amenity Rooms" – The amenity rooms located in 140 Boardwalk Condominium for use by the Residential Unit Owners and residents, guests, and tenants of 100 Boardwalk Condominium and Residential Unit Owners, residents, guests, and tenants of 140 Boardwalk Condominium. The 140 Boardwalk Amenity Rooms amenity rooms shall include a card room, mail room, and dog wash.

3. “Amenity Rooms” – The amenity rooms located in 100 Boardwalk Condominium for use by the Residential Unit Owners and residents, guests, and tenants of 100 Boardwalk Condominium and Residential Unit Owners, residents, guests, and tenants of 140 Boardwalk Condominium. The Amenity Rooms shall include a gym, yoga studio, administrative offices, and saunas.

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

5. “Association” – The Boardwalk Long Beach Homeowners Association, Inc., a Not-for-Profit Corporation organized for the maintenance and repair of the Association Common Area Facilities, the Common Elements in 100 Boardwalk Condominium, the Common Elements of any other Condominium that will be subject to the Declaration of Covenants, Restrictions, Easements, Charges, and Liens.

6. “Association Common Areas” or “Association Common Properties”- The land and improvements which will be owned by the Association.

7. “Association Common Expense” – The expenses (including reserves) which are incurred or assessed by the Association in fulfilling its lawful responsibilities (sometimes referred to as “Assessment”).

8. “Association Common Interest” – The common interest each Residential Unit has in the Association. The Association Common Interest of a Residential Unit in the Association will automatically be adjusted at such time as a Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens has been recorded in the Nassau County Clerk’s Office that has the effect of subjecting both Condominiums to the original Declaration of Covenants and Restrictions and a closing of title to a Residential Unit has occurred in the Condominiums located in both Phases of the Development.

9. “Association Parcel” – The collective parcels of land that are located within the overall Development, to be developed with two (2) towers to be known as Tower A and Tower B, containing for-sale Condominium Units in two (2) Condominiums to be known as 100 Boardwalk Condominium and 140 Boardwalk Condominium, respectively, and the Association Common Areas.

10. “Association Rules and Regulations” - The Rules and Regulations of the Association contained in Exhibit C of the Declaration of Covenants and Restrictions as the same may be amended, altered, waived or added to by the Board of Directors of the Association.

11. “Board of Directors” - The governing body of the Homeowners Association responsible for its affairs.

12. “Bicycle Storage Area” – Designated Area for the storage of bicycles to be utilized by the Residential Unit Owners.

13. “Board of Managers” - The governing body of the Condominium responsible for its affairs.

14. “Board Member” or “Member” – Each individual representative elected, designated or appointed to the Board of Managers

15. “Breeze Parcel” – The parcel of land that is located east of the overall Development, to be developed with two (2) towers containing rental apartments.

16. “Building” - The one (1) building including the Units and Common Elements of the Condominium.

17. “By-Laws” - The document governing the operation, use and occupancy of the Condominium, a copy of which is annexed to the Declaration of Condominium as Schedule C.

18. “Cabanas” – The cabanas located within the Outdoor Amenities that are part of the Association, to be licensed pursuant to a License Agreement.

19. “Cabana License Expense” – The proceeds of the initial License Agreement for a Cabana to be paid to Sponsor.

20. “City” – The City of Long Beach.

21. “Common Charges” - Each Unit Owner’s proportionate share of Common Expenses of the Condominium.

22. “Common Elements” - All portions of the Condominium, other than the Units. The Common Elements are divided as follows:

    a. General Common Elements, which are Common Elements shared by all Unit Owners.

    b. General Residential Units’ Limited Common Elements which are Common Elements for the exclusive use of all Residential Unit Owners.

    c. Individual Residential Unit’s Limited Common Elements which are the Common Elements for the exclusive use of an individual

Residential Unit Owner or Owners.

23. “Common Expenses” - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements and to any Limited Common Element that have been delegated to the Condominium or the Association as a Common Expense; (b) costs, expenses and amounts (including reasonable legal fees and disbursements, court costs and all other litigation expenses) paid, payable or incurred to perform, observe, enforce, uphold, protect, defend, maintain and collect sums payable under a right, remedy obligation, requirement, agreement or indemnity given in or pursuant to the terms of this Declaration of Condominium, the Condominium By-Laws, and any Rules and Regulations governing the Condominium; and (c) all sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

24. “Common Maintenance Charges” or “Maintenance Charges” - Each Unit Owner’s proportionate share of the expenses of the Association.

25. “Community”, “Development” or “Properties” - As used herein, 100 Boardwalk Condominium, The Boardwalk Long Beach Homeowners Association and the separate condominium located in Tower B known as 140 Boardwalk Condominium. The overall Community is known as The Boardwalk Long Beach.

26. “Condominium” – 100 Boardwalk Condominium which includes the Unit Owners, the Units, and the Common Elements and as the term Condominium issued in Article 9-B of the Real Property Law of the State of New York.

27. “Condominium Act” - Article 9-B of the Real Property Law of the State of New York.

28. “Condominium Documents” - The Declaration of Condominium, the By-Laws, the As-Built Floor Plans of the Residential Units and the Condominium Unit Designation Map (as provided in the Condominium Act) as the same may be amended from time to time.

29. “Condominium Property” or “Property” – All of the land and improvements contained within the property described in Schedule A of the Declaration of Condominium.

30. “Condominium Rules and Regulations” – The Rules and Regulations of the Condominium contained in Article VIII of the Condominium By-Laws

as the same may be amended, altered, waived or added to by the Board of Managers.

31. "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument may from time to time be amended, consistent with the provisions of the Condominium Act and of the By-Laws.

32. "Declaration of Covenants and Restrictions" - The Declaration of Covenants, Restrictions, Easements, Charges and Liens recorded or to be recorded among the land records of the County Clerk of Nassau County, New York which does or will encumber the Association Common Areas; 140 Boardwalk Condominium, and 100 Boardwalk Condominium, as said document may from time to time be further amended.

33. "Deficiency Obligation" – Sponsor's obligation for Maintenance Charges of the Association for Unsold Residential Units based upon the difference between the actual operating costs of the Association, including reserves on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Full Maintenance Charges levied on the Residential Unit Owners who have closed title on their Residential Unit.

34. "Directors" – One (1) of the individual representatives of the Board of Directors of The Boardwalk Long Beach Homeowners Association.

35. "First Annual Meeting" – The date of the first annual meeting of the Unit Owners.

36. "First Board of Managers" – The initial Board Members of the Board of Managers.

37. "Full Maintenance Charges" – Maintenance Charges paid by Residential Unit Owners who have closed title to their Residential Unit based upon the Association Common Expenses and the Association budget in Schedule C of the Offering Plan applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General Common Elements for any condominium regime (including 140 Boardwalk Condominium and 100 Boardwalk Condominium) that is subject to the Declaration of Covenants and Restrictions, any Limited Common Elements the Association is required to repair and maintain for any condominium regime (including 140 Boardwalk Condominium and 100 Boardwalk Condominium) as provided for in the respective Declaration of Condominium of each condominium regime subject to the Declaration of Covenants and Restrictions, which Residential Units are completed or not, and any other Association Common Expenses required by the Association

applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions.

38. “Garage” – The two (2) level garage for parking.

39. “Garage Area” – The area of the Association consisting of a two (2) level Garage for parking.

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

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

42. “Institutional Lender” - A bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above that issues a first mortgage.

43. “Institutional Mortgage” - A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above.

44. “Licensor” – The Board of Directors of the Association who have entered into a License Agreement with a Unit Owner in the Condominium for a Parking Space and/or Cabana.

45. “Licensee” – A Unit Owner in the Condominium who has entered into a License Agreement with the Board of Directors of the Association for a Parking Space and/or Cabana.

46. “License Agreement” – The agreement entitling the Licensee the exclusive right to use a Parking Space and/or Cabana during the term of the agreement.

47. “License Fee” – The monthly fee charged for the costs associated with the Parking Spaces and/or Cabanas to be paid by each Unit Owner who has entered into a License Agreement for a Parking Space and/or Cabana. The License Fee is in addition to the Common Charges and/or Maintenance Charges and any Special Assessments for the Unit.

48. “Limited Common Elements” - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owner or

Owners of such Unit or Units. Limited Common Elements may also be referred to as an Irrevocably Restricted Common Element.

49. "Manager" – One (1) of the individual representatives of the Board of Managers of the Condominium.

50. "Maximum Deficiency Contribution Obligation" – Sponsor's maximum Deficiency Obligation in an amount no greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to the Declaration of Covenants and Restrictions.

51. "Member" – Each holder of a membership interest in the Association as set forth in the Declaration of Covenants and Restrictions. The membership shall consist of the following two (2) classes:

    a. Class A Member – The owner of a Residential Unit subject to the Declaration of Covenants and Restrictions.

    b. Class B Member - The Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions.

52. "Non-Residential Areas" – The areas of the adjacent 140 Boardwalk Condominium consisting of a Non-Residential Unit and any Limited Common Element of a Non-Residential Unit.

53. "Officer" – One (1) of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium including the President, Vice President, Secretary and Treasurer.

54. "Outdoor Amenities" – The swimming pool with lap lanes, sun shelf, and conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Unit Owners, residentials tenants, and their guests that are part of the Common Area of the Homeowners Association.

55. "Parking Spaces" – The Parking Spaces, located in the Garage that is part of the Association, to be licensed pursuant to a License Agreement.

56. "Parking Space License Expense" – The proceeds of the initial License Agreement for a Parking Space to be paid to Sponsor.

57. “Percentage of Common Interest” - The proportionate, undivided interest each Unit Owner has in the Common Elements of the Condominium.

58. “Phase I” – The portion of the Community which includes the Units in 140 Boardwalk Condominium and the portion of the Association Common Area located therein.

59. “Phase II” – The portion of the Community which includes the Units in 100 Boardwalk Condominium and the portion of the Association Common Area located therein.

60. “Residential Area” – The area of the Condominium consisting of the Residential Units and General Residential Units’ Limited Common Elements and Individual Residential Unit’s Limited Common Elements.

61. “Residential Units’ Exclusive Cost”- Any common expense of the Condominium that is to be charged solely to the Residential Units based upon the pro-rata percentage of the square footage of an individual Residential Unit’s square footage as reflected in Schedule B of the Declaration to the overall square footage of all the Residential Units of the Condominium as reflected in Schedule B of the Declaration of Condominium.

62. “Right of First Refusal” – The right of the Board of Directors of the Association or the Board of Managers of the Condominium (in the event the Association fails to meet its obligations or affirmatively waives such obligations) to match a bona fide offer of a sale or lease of a Residential Unit as provided for in the By-Laws. The Right of First Refusal shall apply solely to the Residential Units.

63. “Rules and Regulations” – The Rules and Regulations of the Condominium contained in Article VIII of the By-Laws as the same may be amended, altered, waived, or added to by the Board of Directors of the Association or the Board of Managers of the Condominium (in the event the Association fails to meet its obligations or affirmatively waives such obligations).

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

65. “Special Meeting” – A special meeting of the Unit Owners called pursuant to Article II, Section 10 of the By-Laws.

66. “Sponsor” – Isla Blu at Long Beach LLC, a Delaware limited liability company and its successors, assigns, and designees.

67. “Sponsor Control Period” – The period of time the Sponsor has the right to retain control of the Board of Managers of the Condominium.

68. “Tower A” – The building located within the Development in Phase II comprising the Condominium to be known as 100 Boardwalk Condominium and developed as a condominium consisting of ninety-five (95) dwelling units, or any other use permitted by the City of Long Beach, including rentals.

69. “Tower B” – The building located within the Development in Phase I called 140 Boardwalk Condominium and developed as a condominium consisting of ninety-seven (97) dwelling units and two (2) non-residential units, or any other use permitted by the City of Long Beach, including rentals.

70. “Unit” – One (1) of the Units in the Condominium designated a Residential Unit in Schedule B of the Declaration, for residential use only.

As used herein the term “Residential Unit(s)” is equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

As used herein the term “Unit” shall include all the Units in the Condominium.

71. “Unit Owner” – A Unit Owner includes all the Unit Owners of a Residential Unit in the Condominium.

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

FOURTH: COMMUNITY/MEASUREMENT OF UNIT.

A. **Community** - The Sponsor is constructing on the described parcel a Condominium Community known as 100 Boardwalk Condominium, according to the plans filed simultaneously with the recording of this Declaration in the Nassau County Clerk’s Office, which Plans set forth a description of the Building stating the number of stories and number of Units.

The Condominium will consist of ninety-five (95) Residential Units and the Common Elements located in a building containing nine (9) floors over a two (2) level Garage, which Garage is owned by The Boardwalk Long Beach Homeowners Association, as well as the Common Elements

located within the Building.

The structural system consists of re-enforced concrete pile caps and grade beams supported on piles, supporting concrete columns and concrete shear walls.

Each of the Units has access to each other Unit or to any other portion of the Condominium or to a street upon which the Condominium abuts by means of a walk hallway, or lobby. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described as shown on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership, together with an undivided Percentage of Interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Sponsor and the Unit Owner at the time of construction of the Unit.

The aforesaid Condominium has a plot area of approximately 27,161 square feet.

B. Measurement of Units –

i. The approximate net square foot area of each Residential Unit is measured horizontally paint to paint from the inside face of exterior wall to inside face of corridor or common area wall and inside face of partitions separating one Unit from another Unit.

ii. Columns and mechanical shafts are deducted from measurement of each Unit.

iii. Measured vertically, each Unit will consist of the volume from the top of the floor slap (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

iv. Terraces, exterior to the building envelope and complying with parapet and fencing height restrictions set forth in any zoning ordinance, are not subject to inclusion in Unit net area calculations. Terrace areas are provided separately and not included in Unit net areas.

FIFTH: COMMON ELEMENTS.

The Common Elements will consist of the entire Property, including all parts of

the Condominium and improvements thereon, other than the Units, and will consist of the following:

1. General Common Elements – General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units, the General Residential Units' Limited Common Elements, the Individual Residential Unit's Limited Common Elements include without limitation the following:

a. The land on which the Condominium is erected and all other land within the boundaries of the Property;

b. All portions of the roof, including gutters and leaders, roof drains, parapets, copings and bulkheads, that are not restricted in use to a specific Unit or Units and intended for the common use and service of the Building;

c. The exterior façade and walls of the Building;

d. All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and are for the common use and service of the entire Building;

e. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are intended for the common use and service of the entire Building;

f. All improved and unimproved areas of the Condominium located outside the boundaries of a Unit intended for the common use and service of the Condominium;

g. All central and appurtenant installations for services such as power, light, telephone, television, cable, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, chutes, cables, and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces intended for common use and service of the entire Building;

h. All drainage systems, sewer equipment, sewers and/or storm sewer systems, sewer ejector pump, stormwater drainage lines, on-site drainage vaults, pipes, building drains, drywells, or detention tanks or facilities (including vent lines, ejectors, interceptors, filters, and valves) downspouts, and roof drainage systems intended for the common use and service the entire Building;

i. All mechanical equipment, mechanical equipment rooms, ventilation system, compactor, refuse rooms, utility meters, storage areas, if applicable, intended for the common use and service of the entire Building;

j. The fire protection system, including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that service the entire Building;

k. All telephone and cable rooms, meter rooms, equipment rooms, elevator rooms, trash rooms, water service rooms, fire pump rooms and any other mechanical rooms or areas intended for the common use and service the entire Building;

l. All tanks, pumps, motors, fans, compressors, elevator equipment and control equipment intended for the common use and service the entire Building;

m. Any heating, cooling, ventilation, or other mechanical system located in the Common Elements intended for the common use and service the entire Building;

n. All electrical risers, feeders, lines, and equipment, including incoming services, main switchgear and distribution panelboards, conduits, wires, meters and transformers for the common use and service of the entire Building;

o. Any sprinkler system located in the Common Elements and intended for common use and services the entire Building;

p. Any elevator, elevator cab and all mechanical equipment servicing an elevator intended for the common use and service the entire Building;

q. Any plantings and landscaping intended for the common use of the entire Condominium Property;

r. Any pedestrian walkways and ramps intended for the common use and service of the entire Condominium Property;

s. Any fences and gates located on the Property intended for the common use of the entire Condominium Property;

t. All flues, chimneys and vent caps for the common use and service of the entire Building;

u. Any intercom system intended for the common use and service of the entire Building;

v. The sub-slab depressurization systems;

w. The generator; and

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

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

A. General Residential Units' Limited Common Elements - General Residential Units' Limited Common Elements are those shared by all Residential Unit Owners and include all portions of the Residential Area of the Condominium except for the individual Residential Units and the Individual Residential Unit's Limited Common Elements (irrevocably restricted in use to a specified Residential Unit(s) or Residential Unit Owner(s). Reference to Residential Area in the following list of the General Residential Units' Limited Common Elements excludes any portion of said area that is an Individual Residential Unit's Limited Common Element. The General Residential Units' Limited Common Elements include without limitation the following:

(i) Any portion of the roof, including gutters and leaders, roof drains, parapets, copings and bulkheads that are for the exclusive use of the Residential Area of the Condominium, except for any portion of the roof that is an Individual Residential Unit's Limited Common Element;

(ii) All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that are for the exclusive use of the Residential Area of the Condominium;

(iii) All parts of the exterior walls and facades that are for the exclusive use of the Residential Area of the Condominium;

(iv) Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are for the exclusive use of the Residential Area or Residential Units of the Building;

(v) All improved and unimproved areas of the Condominium located outside the boundaries of the Units that are for the exclusive use of the Residential Area of the Condominium;

(vi) All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, cable, gas, hot and cold water and heat (including all boilers, pipes, cooling towers, condensers, electric and hot water cabinet unit heaters, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that are for the exclusive use of the Residential Area or two (2) or more Residential Units in the Condominium;

(vii) All drainage systems, sewer equipment, sewers and/or storm sewer systems, sewer ejector pump, pipes, building drains, drywells, or detention tanks or facilities (including vent lines, ejectors, interceptors, filters and valves) downspouts, and roof drainage systems intended for the exclusive use of the Residential Area of the Condominium;

(viii) All mechanical equipment, equipment rooms, machine rooms, telephone and cable rooms, meter rooms, utility meters, storage areas and any other mechanical rooms or areas, if applicable, that are for the exclusive use of the Residential Area of the Condominium;

(ix) Any heating, cooling or other mechanical system located in the Common Elements that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(x) All electrical risers, feeders, lines and equipment, including incoming services, main switchgear and distribution panel boards, conduits, wires, meters, and transformers for the exclusive use and service of the Residential Area of the Condominium;

(xi) All lighting and lighting fixtures intended for the exclusive use and

service of the Residential Area of the Condominium;

(xii) All tanks, pumps, motors, fans, compressors, cooling towers, condensers and control equipment that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(xiii) Any intercom system that is for the exclusive use of the Residential Units;

(xiv) The elevators, elevator cabs and elevator machine room that are for the exclusive use of the Residential Area of the Condominium;

(xv) The fire protection system including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that are for the exclusive use of the Residential Area of the Condominium;

(xvi) Any sprinkler system located in the Common Elements that are for the exclusive use of the Residential Area of the Condominium;

(xvii) Any compactor and trash chutes that are for the exclusive use of the Residential Area of the Condominium;

(xviii) Any general storage area that is to be used by the Condominium for the storage of normal building items for the exclusive use of the Residential Area of the Condominium;

(xix) The mailroom located on the first floor level and any mailboxes located in the mailroom intended for the exclusive use of the Residential Units;

(xx) Any refuse disposal chutes and refuse disposal room intended for the exclusive use of the Residential Units;

(xxi) The bicycle storage area;

(xxii) The package room;

(xxiii) The common bathrooms located on the first-floor level;

(xxiv) The gym located on the first-floor level;

(xxv) The yoga studio located on the first-floor level;

(xxvi) The administration office located on the first-floor level;

(xxvii) The saunas located on the first-floor level;

(xxviii) The common roof terrace;

(xxix) The lobby on the first-floor level;

(xxx) All other parts of the Residential Area of the Condominium and all apparatus and installations existing in the Residential Area of the Condominium or Property for common use or necessary or convenient exclusively to the existence, maintenance, or safety of the Residential Area and/or Residential Unit Owners of the Condominium.

B. Individual Residential Unit's Limited Common Elements – Individual Residential Unit's Limited Common Elements are irrevocably restricted in use to a specific Residential Unit or specific Residential Units. Following are descriptions of irrevocably restricted Individual Residential Unit's Limited Common Elements:

(i) Any balcony and/or terrace that is appurtenant to a Residential Unit and is for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(ii) Any equipment, landscaping, flooring, fencing located in or on a balcony and/or terrace for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(iii) Any hot water tank, boiler, air conditioning condenser, fireplace, heat pumps and any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements; and

(iv) All apparatus, installations, systems equipment, and facilities in the Common Elements no matter how classified (including pipes, wire ducts, vents, cables, conduits, and lines) which will serve or benefit a Residential Unit exclusively.

C. Board of Directors' Repair and Maintenance Obligations

(i) The repair and maintenance of the General Common Elements and General Residential Units' Limited Common Elements of the Condominium have been delegated to and shall be the obligation of The Boardwalk Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. In addition, the repair and maintenance of any Individual Residential Unit's Limited Common Elements that is the

obligation of the Condominium pursuant to the Declaration of Condominium and By-Laws that have been delegated to the Association shall be the obligation of The Boardwalk Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. Any and all costs associated therewith shall be included in the Common Expenses of the Association to be paid by the Unit Owners pursuant to the Declaration of Covenants and Restrictions and By-Laws of the Association. Any rights and obligations contained in the Declaration of Condominium that have been delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. shall become the affirmative obligation of the Board of Managers to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations. In such an event the costs and expenses therewith shall then be limited to the Unit Owners of 100 Boardwalk Condominium as a Common Charge of the Unit Owners of 100 Boardwalk Condominium.

(ii) All repairs and maintenance and costs and expenses associated with an Individual Residential Unit's Limited Common Elements that have not been delegated to the Condominium or the Association shall be the sole obligation of the Residential Unit Owner whose Residential Unit is a Limited Common Element of said Residential Unit.

D. Provisions Applicable to All Common Elements

(i) The Common Elements shall remain undivided, and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

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

(iii) The Percentage of Common Interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to the Declaration of Condominium.

(iv) The Percentage of Common Interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SIXTH: EASEMENTS.

General Provisions Applicable to All Easements

All easements granted or reserved in this Declaration shall be exercised: (i) upon reasonable (*i.e.*, two business days') prior notice to all Unit Owners affected by the entry or other exercise of the applicable easement, except in case of an emergency or exigent circumstances; (ii) in such a manner as to minimize interference with the use and enjoyment of the Units; (iii) without making any installations on the then-existing exterior walls, ceilings or columns of any Unit or Limited Common Element, and without making any installations that would reduce the usable size of any Unit or Limited Common Element by more than a *de minimis* amount, without the prior written consent of the Owner(s) of such Unit or Limited Common Element.

Easement Rights Granted to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc.

As per the provisions of Article Twenty-Sixth of the Declaration of Condominium, the Board of Managers has granted an irrevocable power of attorney to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. and the Association's Board of Directors, and their successors, jointly, their true and lawful attorney-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf the right to act in their behalf and to take any and all action necessary to perform all rights and obligations delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. contained in this Declaration and the By-Laws of the Condominium and to enforce said rights and obligations. The obligation to maintain, repair and replace the General Common Elements of the Condominium, the General Residential Units' Limited Common Elements of the Condominium and any Limited Common Elements delegated to the Association to maintain, repair and replace as described in the Declaration of Condominium, Declaration of Covenants and Restrictions and in the By-Laws of the Condominium and/ or the Association shall be the responsibility of the Board of Directors of the Association as more fully described in the Declaration of Covenants and Restrictions and By-Laws of the Association filed or to be filed in the Nassau County Clerk's Office. The easements contained herein applicable to the obligations of the governing body of the Condominium shall be easements delegated to the Board of Directors of the Association unless the Board of Directors fails to meet or affirmatively relinquishes its obligations and responsibilities. Any rights and obligations contained in the Declaration of Condominium that have been delegated to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. shall become the affirmative obligation of the Board of Managers to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations. As such any and all easements granted to the Board of Managers herein shall likewise be granted to the Board of Directors of the Association.

Easement Provided for Rights In Declaration of Covenants and Restrictions

The Board of Directors of the Association or the Board of Managers, should the Board of Directors fail to meet or relinquish its obligations, or any of their agents, employees or contractors shall have easements and a right of access through, under, over and across the Common Elements (whether restricted or not) and the Units for the purpose of performing all of its obligations as provided for in a certain Declaration of Covenants and Restrictions and By-Laws of the Association and/or the Declaration of Condominium and By-Laws of the Condominium filed or to be filed in the Nassau County Clerk's Office.

Board Easement to Install, Utilize, Operate, Maintain, Repair, etc.

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, and its agents, contractors and maintenance staff will have, and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore, replace and inspect the General Common Elements and any Limited Common Elements that are the obligation of the Association or Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium, wherever located, and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements or any Limited Common Elements, no matter how classified.

Unit Owners Easement

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

Easement for Mechanical Equipment

The Board of Directors of the Association, and the Board of Managers of the Condominium should the Board of Directors fail to meet or relinquish its obligations, shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment, or meters servicing any portion of the Condominium.

Board of Directors/Board of Managers Access Easement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations,

shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, stormwater drainage lines (including any on-site drainage vaults) and active sub-slab depressurization systems, wires, cable lines or connections, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage or in imminent danger of causing damage to any other Unit or any Common Element, no matter how classified. The cost of such repairs shall be a Common Expense unless the damage is the result of the negligence of a Unit Owner or tenant, occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant, occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to relinquish its obligations, shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

Board of Directors/Board of Managers/Agents/Employees/Contractors Easement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, and their agents, employees and contractors shall have an easement for access through all the Common Elements and the Units for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any Unit or any other Common Element no matter how classified, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium or for the health and safety of the Condominium and its residents. Such right of access to a Unit shall be exercised in such a manner as is required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Board of Directors/Board of Managers Easement to Install Utilities, Operate, etc.

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements, General Residential Units' Limited Common Elements and the Individual Residential Unit's Limited Common Elements that are the obligation of the Association or Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements, General Residential Units' Limited Common Elements or Individual Residential Unit's

Limited Common Elements.

Utility Easement

Each respective utility and cable company shall have a right of access to the Common Elements and each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, stormwater drainage lines (including any on-site drainage vaults), active sub-slab depressurization systems, wires, conduits and public utility lines located in the Common Elements and any Unit. Any utility or cable company and its employees and agents shall have the right of access to any Unit or the Common Elements, no matter how classified, in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

Right to Use and Connect Utilities

Sponsor, the Board of Directors of the Association, the Board of Managers of the Condominium, and all Unit Owners of Units subject to this Declaration of Condominium shall have the right to connect with and make use of utility lines, wires, pipes, conduits, cable television lines, sanitary sewers, stormwater drainage lines (including any on-suite drainage vaults) and active sub-slab depressurization systems which may from time to time be in or along the Condominium Property.

Board Right to Grant Easements

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes unless required by law. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Sponsor Right to Grant Easement

As long as the Sponsor retains an Unsold Unit, the Sponsor shall have the absolute right (without any obligation to obtain the consent of the Board of Directors,

Board of Managers or any other Unit Owner or other party except as required by law) to grant such additional electric, gas or other utility easements or relocate any existing utility easements in any portion of the Property as Sponsor shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants, and occupants of the applicable Units, provided that such additional utilities or the relocation of existing utilities will not prevent or interfere, in any material respect, with the normal conduct of the permitted use of the Residential Units.

Access Easement to Sponsor for Repairs and Maintenance

The Sponsor and its agents and contractors shall have and each Residential Unit Owner shall be deemed to grant, a right of access in, under, over and through the Residential Units, the Residential Areas, the General Residential Units' Limited Common Element and/or Individual Residential Unit's Limited Common Elements to the Sponsor or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, inspection, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements, no matter how classified, servicing the Residential Areas of the Condominium.

Easement for Access for Repairs, Maintenance and Replacement

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors of the Association fail to meet or relinquish its obligations, shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

Sponsor Easement for Construction

The Sponsor, its successors, assigns and designees reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all of the Property and the Building comprising the Condominium for the purpose of completing construction, sale and rental of Units and facilities in the Condominium and towards this end, reserve the right to grant and reserve easements and rights-of-way in, through, under, over and across all of the Property and the Building comprising the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, stormwater drainage lines (including any on-site drainage cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, its successors, assigns and designees, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or on the Property and Building comprising the

Condominium. The Sponsor, its successors, assigns, and designees shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Property and the Building comprising the Condominium as it deems necessary for the purposes of advertising the sale or lease of the Residential Units, and for the purpose of showing the Residential Units to prospective Purchasers or lessees and for access to Residential Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease the Residential Units, together with their Percentage of Common Interest in the Common Elements. The Sponsor, its successors, assigns and designees reserve the right to continue to use the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, if applicable, and any facilities, sales offices, model Residential Units and signs located in or on the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, in its efforts to sell and/or lease the Residential Units, constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Sponsor, its successors, assignees and/or designees.

Sponsor Access to Unit

Sponsor shall have and each Unit Owner shall be deemed to grant a right of access to and through their Unit to Sponsor or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements, no matter how classified, and/or the Units. Each Unit Owner grants an easement of ingress and egress in, over and through any hallway that may be part of their Unit to any other Unit Owner, tenant, resident, or other persons needing ingress or egress to their respective Unit that may be necessary for said purpose.

Sponsor Members Use and Access to Amenity Rooms and Outdoor Amenities

All individual members of the Sponsor and their guests and invitees shall have the right of access to and through the Common Elements, no matter how classified, and shall be granted a right to use all the Amenity Rooms and Outdoor Amenities of the Condominium. The right of access to use said facilities shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners.

Easement of Support

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs and exterior walls) supporting or serving the Building and any replacement thereof and additions thereto and an easement of necessity and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

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

Easement of Use

Each Unit Owner will have a right and easement to use its Unit and the Common Elements, no matter how classified, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

Easement for Common Elements

The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors of the Association fail to meet or affirmatively relinquish its obligations, will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements, the General Residential Unit's Limited Common Elements, and any other Limited Common Elements that are the obligation of the Condominium and/or the Association located in, over, under, through or upon any Residential Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Residential Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements or any Limited Common Elements that are the obligation of the Condominium and/or the Association.

Residential Unit Owners Access Easement

All Residential Unit Owners, tenants, occupants, residents, guests and anyone else needing access to a Residential Unit shall have an easement of ingress and egress, in, through and over the Residential Area of the Condominium Property.

Easement for Emergency Purposes

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through all areas of the Property. This Paragraph may not be amended by the Unit Owners in the Condominium.

Any easements granted to Sponsor, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Sponsor's,

Board of Managers' or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Sponsor, the Unit Owner or Board of Managers.

SEVENTH: SERVICE OF PROCESS:

The Board of Managers on behalf of the Condominium designates the Secretary of State of New York as its agent for service. Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Secretary of State as agent for service of this Condominium during the period the Sponsor controls the Board of Managers is: c/o Isla Blu at Long Beach LLC, 300 Jericho Turnpike, Suite 100, Jericho, New York 11753. Once the Sponsor no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Board of Managers as agent of this Condominium: the Board of Managers, 100 Boardwalk Condominium, Boardwalk, Long Beach, New York 11561, or such other address as the Board of Managers of the Condominium selects.

EIGHTH: PERCENTAGE OF COMMON INTEREST.

Each Unit Owner shall have such Percentage of Common Interest in the Common Elements as is set forth in Schedule B attached hereto and shall be responsible for its pro rata share of the Common Expenses of the Condominium based upon such Percentage of Common Interest except as otherwise described in the Declaration or By-Laws. Each Unit Owner shall have one vote for each Unit owned by a Unit Owner for all voting purposes at any meeting of the Unit Owners. The Percentage of Common Interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the Percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION.

The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration of Condominium and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Schedule B. In addition, a number of maintenance, repair and administrative responsibilities have been delegated to and will be provided by the Association as detailed in this Declaration of Condominium and in a certain Declaration of Covenants

and Restrictions and By-Laws filed in the Nassau County Clerk's Office. The Condominium and its Board of Managers shall be subject to said provisions unless the Board of Directors of the Association fails to meet its responsibilities or affirmatively relinquishes its responsibilities.

TENTH: AMENDMENTS AND WITHDRAWAL.

1. The dedication of the Property to Condominium ownership herein shall not be revoked or the Property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in common interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the Property from the Plan by duly recorded instruments.

2. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly called meeting of the Unit Owners, provided however, that:

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

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

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

   d. Notwithstanding any provision contained herein to the contrary an Amendment in the Declaration which solely affects the Residential Units or the General Residential Units' Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

   e. The Declaration may not be altered, amended or repealed in such a manner as would adversely affect the Sponsor, its successors, assigns or designees without the written consent of the Sponsor, its successors, assigns or designees.

f. The Board of Managers and the Sponsor, as long as the Sponsor owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Unit Owners or the holders of any Unit mortgages and to execute and record in the Nassau County Clerk's Office, such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections; (iv) to comply with any recorded covenants, restrictions, easements and rights of way that encumber the Condominium Property, or (v) to comply with any federal, state or city law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium and to the Sponsor to amend this Declaration of Condominium for said purposes.

g. A Purchaser or Residential Unit Owner who purchases or owns two (2) adjoining Residential Units and is desirous of consolidating the two (2) Residential Units into one (1) Residential Unit may do so subject to obtaining all approvals required by the City of Long Beach Department of Buildings, Nassau County, and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Residential Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Residential Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Residential Units shall be at the Purchaser's or Residential Unit Owner's sole cost and expense. Except to the extent prohibited by law, a Purchaser or Residential Unit Owner who combines two (2) or more separate Residential Units into one Residential Unit shall have the right, without the vote or consent of the Condominium Board, to incorporate a portion of General Common Elements which exclusively benefits a

Residential Unit into such Residential Unit (such as a portion of a hallway used exclusively by the occupant(s) of such Residential Unit(s), provided that all Residential Unit Owners affected by such alteration to the General Common Elements provide written consent to such alteration to the General Common Elements.

h. No amendment revising the obligations of the Board of Directors of the Association shall be made without the written consent of the Board of Directors of the Association.

i. In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; material reallocation of interests in the General Common Elements or Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa that materially affects other Residential Units; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

3. The Sponsor, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers, the Board of Directors or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Nassau County Clerk's Office, and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans and/or amended As-Built Floor Plans, Condominium or Unit Designation Map filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration and By-Laws to conform to other documents including but not limited to the Offering Plan or as-built plans, or (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant Percentage of Common Interest does not change for said Unit subject to (v), (vii) and (viii) hereof, or (v) to amend Schedule B prior to the first closing, to effect a change in the Percentage of Common Interest of all or specific Units and revise Schedule B accordingly, or (vi) to amend Schedule B of this Declaration to assign or revise Individual Residential Unit's, or (vii) to amend Schedule B of this Declaration to consolidate or subdivide Units subject to all necessary approvals by the Building Department of the City of Long Beach, and/or other municipality or administrative agency, to revise the square footage and type and number of rooms and any other required information for a specified Unit and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Units that were consolidated or subdivided, or (viii) to effectuate permissible changes in unsold Units including the Percentage of Common Interest of one (1) or more of the Unsold Units as long as it does not change the Percentage of Common Interest of a sold Unit and to amend Schedule B accordingly, or (ix) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit, or (x) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to, the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any

State or Local Funding Agencies, or (xi) to make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, or (xii) to comply with any federal, state or city law, regulation, resolution, or declaration that may affect the Condominium, or (xiii) to comply with any recorded declarations, covenants, restrictions, easements and rights of way that encumber the Condominium Property, or (xiv) the carrying out of other provisions of the Offering Plan of the Condominium. In connection therewith each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Sponsor, its successors, assigns and purchasers of undeveloped or unsold Units to amend the Declaration of Condominium for said purposes.

4. Any amendment to this Declaration shall not take effect until it is recorded in the Nassau County Clerk's Office.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.

All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the Declaration of Covenants and Restrictions, By-Laws and Rules and Regulations of the Association and the mere acquisition or rental of any of the Units of the Condominium or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium and the Declaration of Covenants and Restrictions, By-Laws and Rules and Regulations of the Association are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: COMMON CHARGES.

Common Expenses of the Condominium shall be determined by the Board of Directors of the Association unless the Board of Directors of the Association fails to meet or affirmatively relinquishes its obligations. In such an event they shall be determined by the Board of Managers of the Condominium. The Common Expenses of the Condominium shall be assessed to and paid by the Unit Owners of the Units based upon each Unit's Percentage of Common Interest as reflected in Schedule B of this Declaration. The assessments paid by the Unit Owners towards the Common Expenses of the Condominium shall be referred to as "Common Charges". All sums assessed as

Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on the Unit Owner's Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State and City taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. Each Unit Owner shall be personally liable for all unpaid Common Charges and any Special Assessments.

Notwithstanding the above, pursuant to Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be specially allocated and apportioned based on special or exclusive use or availability or exclusive control of particular Units or common areas by particular Unit Owners in a manner different than in proportion to their respective Common Interest. In addition, pursuant to Section 339-bb of the Real Property Law of the State of New York the premiums for insurance on the Building shall be deemed Common Expenses, provided however, that in charging the premium for insurance to the Unit Owners consideration may be given to the higher premium rates on some Units than on others. In connection therewith the Board of Managers may allocate the Common Expenses against all the Units in a manner different than in proportion to their respective Common Interest and the Units (and Units that may be created as a result of the right to consolidate or subdivide a Residential Unit as per Article Eleventh, Section 3(vii). In connection therewith certain common costs may be charged solely to the Residential Units based upon the pro-rata percentage of the square footage of an individual Residential Unit's square footage as reflected in Schedule B of the Declaration to the overall square footage of all the Residential Units of the Condominium as reflected in Schedule B of the Declaration of Condominium ("Residential Units' Exclusive Costs").

In the event of any dispute as to the allocation of Common Charges or Residential Units' Exclusive Cost such dispute shall be submitted for arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

In addition to the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, right to bring an action to foreclose a lien of a Unit in the event of a default in the payment of Common Charges by any Unit Owner, the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, at the respective Board's option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration

following a default the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the respective Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the respective Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all costs of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

As provided for in Article Fifth, Section D, the repair and maintenance of the General Common Elements and General Residential Units' Limited Common Elements of the Condominium have been delegated to and shall be the obligation of The Boardwalk Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. In addition, the repair and maintenance of any Individual Residential Unit's Limited Common Elements that is the obligation of the Condominium pursuant to the Declaration of Condominium and By-Laws have been delegated to and shall be the obligation of The Boardwalk Long Beach Homeowners Association and managed by the Board of Directors of the Association on behalf of the Association. Any and all costs associated therewith shall be included in the Common Expenses of the Association to be paid by the Unit Owners pursuant to the Declaration of Covenants and Restrictions and By-Laws of the Association. All other Common Expenses of the Condominium shall be the cost of obligation of the Unit Owners of 100 Boardwalk Condominium as Common Charges of the Condominium as provided in this Article Thirteenth.

Notwithstanding any other provision in this Declaration or the By-Laws any mortgagee of an Institutional Mortgage as defined herein who obtains title to a 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 Common Charges accrued before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges, the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common

Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

THIRTEENTH: UNITS ACQUIRED BY THE BOARD.

In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

In order to carry out the provisions of this paragraph, each Unit Owner shall, upon taking title to the Unit Owner's Unit, grant an irrevocable power of attorney coupled with an interest, to the Board of Managers and their successors to acquire title or lease any Unit under whatever terms the Board may, in its sole discretion, deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board, in its sole discretion, shall deem proper.

FOURTEENTH: POWER OF ATTORNEY.

1. Each Unit Owner shall grant to the Board of Directors an irrevocable power of attorney, coupled with an interest (in such form and content as the Board of Managers shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Common Interest whose Unit Owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other action which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the City of Long Beach, or any other public authority, applicable to the maintenance of the Building or the Property, respectively or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property which the Board or Managers deems necessary or appropriate.

2. Each Unit Owner shall grant to Sponsor a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant and Unit Owners under the Declaration as set forth in Article Eleventh.

3. Each Residential Unit Owner shall upon becoming a Residential Unit Owner shall further grant an irrevocable power of attorney, coupled with an interest to the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, to nominate, designate, constitute and appoint the respective Board of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium.

4. Each Unit Owner shall, upon becoming such, shall be deemed to have granted an irrevocable power of attorney, coupled with an interest to the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, the Sponsor and their successors, designees and/or assigns to amend the Declaration and the By-Laws for the purposes set forth in Article Eleventh of the Declaration and Article X of the By-Laws for the purposes set forth therein.

FIFTEENTH: ENCROACHMENTS.

The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as described above due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: UNIT OWNERSHIP.

Upon the Closing of Title to a Unit, a Purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason.

SEVENTEENTH: USE OF UNITS.

1. Residential Units shall be restricted exclusively to Residential Occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium. No professional or home office use shall be permitted.

EIGHTEENTH: CONVEYANCE OF A UNIT.

In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges and any Special Assessments against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefore. Any such Grantee shall be entitled to a statement from the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include the holder of an Institutional Mortgage as provided in Article Thirteenth of this Declaration.

NINETEENTH: DRAINAGE EASEMENT AND MAINTENANCE AGREEMENT

The Condominium shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Declarant and the owner of the Breeze Parcel adjacent to the Development which Drainage Easement and Maintenance Agreement provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Condominium parcel and reciprocal easement over the Breeze Parcel in favor of the owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the 100-140 Boardwalk Parcel and Breeze Parcel. The Association, on behalf of any Condominiums or other Permitted Residential Communities subject to the Declaration of Covenants and Restrictions, shall be responsible for the of installation, maintenance, and repair of the portion(s) of the drainage system(s) located within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions.

TWENTIETH: ACCESS EASEMENT AND MAINTENANCE AGREEMENT

The Condominium and the Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Declarant and the owner of the

Breeze Parcel adjacent to the Development which Access Easement and Maintenance Agreement provides for an easement in favor of the Declarant, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel, which common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, the Association, on behalf of any Condominiums or other Permitted Residential Communities subject to the Declaration of Covenants and Restrictions, shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway. Any such expenses shall be paid by the Association and shall be included in the individual Unit Owners' respective Association Assessments payable to the Association as set forth in the Declaration of Covenants and Restrictions.

TWENTY-FIRST: COVENANT OF FURTHER ASSURANCES.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within a reasonable period of time as determined by the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, after request thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the respective Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations, or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within a reasonable period of time as determined by the respective Board after request therefor, to take any action that the respective Board, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Sponsor or Sponsor's successor, assignee or designee, then Sponsor or Sponsor's successor, assignee or designee, as the case may be, is hereby authorized as attorney-in-fact for the respective Board, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the respective Board, such Unit Owner, or other party, and such document or action shall be binding on the respective Board, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit and any Limited Common Elements of their Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Limited Common Elements (no

matter how classified). In addition to any other remedies and/or rights the respective Board may have in this Declaration, the By-Laws and/or the Rules and Regulations of the Condominium, in the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, the Common Elements (no matter how classified), the Building or the Common Area of the Association, the respective Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within a reasonable period of time as provided in such Remedy Notice, the respective Board may, upon additional notice to the Unit Owner within a reasonable period of time determined by the respective Board, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense.

TWENTY-SECOND: RULES AND REGULATIONS.

The use of the Unit by a Unit Owner, immediate family members residing in a Residential Unit, tenants, licensees, guests, employees, contractors or other occupants of a Residential Unit shall be subject to the provisions of this Declaration of Condominium, the Condominium By-Laws and the Rules and Regulations of the Condominium contained in Article VIII of the Condominium By-Laws, and the Declaration of Covenants and Restrictions, Association By-Laws, and the Association Rules and Regulations as they may be added to, amended, rescinded, repealed, modified, altered or waived pursuant to the provisions contained in each of said documents.

TWENTY-THIRD: FIRST LIEN HOLDER'S RIGHTS.

A. Notices of Action. A holder, insurer or guarantor of a first mortgage shall be required to receive timely written notice of:

1. Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the General Common Elements, General Residential Units' Limited Common Elements, or Individual Residential Units' Limited Common Elements appertaining to any Unit, Units or the liability for Common Expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

2. Any proposed termination of the Condominium regime;

3. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder;

4. Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer, or guarantor, which such delinquency has continued for a period of sixty (60) days; and

5. Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

6. Any proposed action that requires the consent of a specified percentage of mortgagees.

B. Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

1. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated, is obtained;

2. Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated; and

3. Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Units to which at least eighty (80%) percent of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium which has requested notice in accordance with the provisions of (a) above.

TWENTY-FOURTH: SPECIAL RIGHTS OF SPONSOR.

Notwithstanding anything to the contrary contained herein, Sponsor, its successors, assignees and/or designees shall have, in addition to any rights granted elsewhere contained in the Declaration, By-Laws and/or Rules and Regulations, shall have the right, without requiring the consent of either the Unit Owners or Board of Managers of the Condominium or Board of Directors of the Association, and without charge or limitation, the following rights:

1. The right to have its employees, contractors, subcontractors, and sales agents present on the Condominium Property and any Building erected thereon.

2. The right to erect and maintain signs and other promotional materials (including, without limitation, “For Sale”, and “For Rent” signs), in connection with the promotion, sale, leasing, management, or operation of the Residential Units or any other property, development or community the Sponsor, its successors, assigns or designees so prescribe.

3. The right to use any one or more Units as:

    a. model Units,

    b. offices for the promotion, sale, rental, management and/or operation of any unsold Units,

    c. offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Sponsor with respect to the Common Elements and/or the Units; or any unsold Units; and/or

    d. for any other purpose.

4. The right to use any office in the Condominium for its exclusive use.

5. The right of Declarant and members and guests of the Declarant for ingress and egress over the Properties including the Outdoor Amenities and Amenity Rooms, without charge and at any time, for the period of time the Condominium is in existence.

6. The right to do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, including any recreation facilities, Outdoor Amenities, Amenity Rooms, the Units and any unsold Units) for the purpose of:

a. the promotion, sale, rental, management and/or operation of any unsold Units,

b. the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Sponsor with respect to the Common Elements and/or

c. the exercise performance and discharge of Sponsor's other rights and obligations under this Declaration, the By-Laws or the Rules and Regulations.

7. The right to make any other changes required by the Building Department City of Long Beach or any other agency of the City of Long Beach or other municipal or administrative agency.

8. Notwithstanding anything to the contrary contained in this Declaration of Condominium and/or the Condominium By-Laws, no Managing Agent, Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Unit or the rental of any Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent, the Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, or any agent, member, or representative thereof, regarding any sale or transfer of a Unit or rental of a Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

In no event, however, shall Sponsor or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Fifth cannot be amended without the written consent of the Sponsor, or its designees, successors or assigns.

TWENTY-FIFTH: RIGHTS OF BOARD MANAGERS OF CONDOMINIUM/ BOARD OF DIRECTORS OF THE ASSOCIATION/POWER OF ATTORNEY.

The Board of Managers hereby grants an irrevocable power of attorney to the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. and their successors, jointly, their true and lawful attorney-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf the right to act in their

behalf and to take any and all action necessary to perform all rights and obligations delegated to the Association and the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. contained in this Declaration and the By-Laws of the Condominium and to enforce said rights and obligations. Any rights and obligations contained in this Declaration of Condominium that have been delegated to the Association and the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. shall become the affirmative obligation of the Board of Managers to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations.

TWENTY-SIXTH: INVALIDITY

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no way affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

TWENTY-SEVENTH: 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.

TWENTY-EIGHTH: 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 or the intent of any provision hereof.

TWENTY-NINTH: CERTAIN REFERENCES

A reference in this Declaration 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 in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration or the By-Laws.

THIRTIETH: SEVERABILITY

If any provision of this Declaration or the application thereof to any person, entity or circumstance, is determined to be invalid or unenforceable to any extent, the remainder of this Declaration, and the application of such provision to persons, entities or circumstances other than those as to which it is specifically determined to be invalid or unenforceable, shall not be affected thereby, and each provision of this Declaration shall be valid and enforced to the fullest extent permitted by law, provided that under all circumstances, the provisions hereof are required to be interpreted and applied so that there will be no adverse effect on Sponsor, its successors, assignees and/or designees or any other person governed by or otherwise affected by this Declaration in any material respect as a result of any invalidity or unenforceability referred to above in this Article Thirty-First.

THIRTY-FIRST: SUCCESSORS AND ASSIGNS

Except as set forth in the Declaration or in the By-Laws to the contrary, the rights and/or obligations of Sponsor, its successors, assignees or its designees as set forth herein shall inure to the benefit of and be binding upon any successor, assignee or designee of Sponsor with the consent of Sponsor or its successor, assignee or designee, any transferee of some or all of the Unsold Units then owned by Sponsor or its successor, assignee or designee, as the case may be. Subject to the foregoing, Sponsor, its successor, assignee and its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ISLA BLU AT LONG BEACH LLC

By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the day of in the year 20__, before me, the undersigned a Notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same in his/her capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A TO THE DECLARATION

100 Boardwalk Condominium
100 Boardwalk
Long Beach, New York 11561

LEGAL DESCRIPTION
TO BE
INSERTED PRIOR TO RECORDATION

SCHEDULE I

CONDOMINIUM BY-LAWS

BY-LAWS

OF

100 BOARDWALK CONDOMINIUM

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
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East Meadow, New York 11554

SCHEDULE C TO THE DECLARATION OF CONDOMINIUM

BY-LAWS
OF
100 BOARDWALK CONDOMINIUM

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BY-LAWS
OF
100 BOARDWALK CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership.

The property located at City of Long Beach, Nassau County and State of New York, as specifically set forth in the Declaration of Condominium and more commonly known as 100 Boardwalk Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability.

The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Building and improvements thereon including the Condominium Residential Units (hereinafter referred to as "Residential Units"), unless otherwise indicated, and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application.

All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration of Condominium and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration of Condominium and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Board of Directors of The Boardwalk Long Beach Homeowners Association

In order to provide uniformity of services in the Boardwalk Long Beach Community (including 100 Boardwalk Condominium), the Board of Managers shall be deemed to have engaged and appointed the Board of Directors of The Boardwalk Long Beach Homeowners Association, Inc. (hereinafter referred to as the "Association"), as manager to provide all services in connection with the maintenance, repair, and replacement to the General Common Elements, General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common Elements that have been delegated to the Condominium or Association and to assess the Unit Owners for the cost of such maintenance. All of the powers granted to the Board of Managers in connection with repairs and replacements of the General Common Elements, General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common Elements that have been delegated to the

Condominium or Association by the Declaration of Condominium and the By-Laws of the Condominium including, but not limited to, the power to make additions, alterations, or improvements to the General Common Elements, General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common Elements that have been delegated to the Condominium or Association, repairs, maintenance and replacements to the General Common Elements, General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common Elements that have been delegated to the Condominium or Association, collecting assessments or borrowing money to pay for such work shall be the obligation and performed by the Board of Directors of the Association as the appointed manager of 100 Boardwalk Condominium.

In order to facilitate the above, the Board of Managers of the Condominium shall be deemed to have engaged, delegated and appointed the Board of Directors of the Association as manager and has appointed the Board of Directors of the Association as their Power of Attorney to act in place of the Board of Managers to carry out any or all of the provisions of these By-Laws. Any or all of the rights and obligations contained in these By-Laws shall become the affirmative obligation of The Board of Managers of the Condominium in the event The Board of Directors of the Association fails to meet or enforce any of the provisions contained in these By-Laws or in the event the Board of Directors of the Association affirmatively relinquishes said rights and obligations. Reference herein to "Respective Board" shall refer to the Board of Directors and the Board of Managers should the Board of Directors fail or affirmatively relinquish its rights and obligations contained in these By-Laws.

Section 5. **Definitions.**

The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. **Condominium.**

The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the owners of each Residential Unit unless otherwise indicated. The owners of the Residential Units shall hereinafter be referred to as Residential Unit Owners.

Section 2. **Voting.**

Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Residential Units), shall be entitled to cast one vote at all Unit Owners' meetings for each Residential Unit owned by such Residential Unit Owner subject to the restrictions contained herein, including the provisions regarding the election of Members to the Board of Managers as provided in Article III, Section 1 of these By-Laws. In the event

the Board of Managers acquires a Residential Unit on behalf of the Condominium it shall not cast any of its votes appurtenant to such Residential Unit, for the election of any Member to the Board of Managers. Any Unit Owner in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board of Managers applicable to said Unit Owner's Residential Unit Unit shall be prohibited from voting at any annual, general or Special Meeting of the Unit Owners.

Section 3. **Quorum.**

So many Residential Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Residential Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration of Condominium, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Residential Unit Owners as shall represent at least thirty-three and one-third (33⅓%) percent of the total authorized votes of all Residential Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. If, however, such quorum shall not be present or represented at any adjourned meeting of the Unit Owners, the Residential Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Residential Unit Owners as shall represent at least twenty-five (25%) percent of the total authorized votes of all Residential Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called.

Section 4. **Vote Required to Transact Business.**

When a quorum is present at any meeting, the vote of a majority of the Residential Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration of Condominium, Statute, or of these By-Laws, a different vote is required or is limited to the Residential Unit Owners, in which case such express provisions shall govern and control the decision of such question.

Section 5. **Right to Vote.**

At any meeting of Unit Owners, every Residential Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Any Residential Unit Owner in default of their Common Charges, Special Assessments, late fees or any other

penalties imposed by the Board of Managers applicable to said Unit Owner's Residential Unit shall be prohibited from voting at any annual or Special Meeting of the Unit Owners.

Section 6. Proxies.

All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent.

Whenever the vote of Unit Owners at a meeting is required or is permitted by any provision of the Declaration of Condominium, Statutes or of these By-Laws or for an amendment to the Declaration of Condominium or By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Residential Unit Owners may be dispensed with if all Residential Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings.

Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Managers and designated in the notices of such meetings. Meetings may be held by electronic communication including telephone, video or web conference and need not occur in person. Residential Unit Owners may attend and participate in any "in-person" meeting by attending by telephone, video or web conference. If the meeting is held by electronic communication, the electronic service and/or platform by which the meeting is held shall constitute the place of the meeting. All meetings held by electronic communication shall provide for the following:

(a) The Board shall verify that each person participating electronically is a Unit Owner or a proxy of a Unit Owner;

(b) All Unit Owners participating electronically at a meeting shall have a reasonable opportunity to participate in the meeting, including an opportunity to propose, object to, and vote upon a specific action to be taken by the Unit Owners, and to see, read, or hear the proceedings of the meeting substantially concurrently with those proceedings; and

(c) The Board of Managers shall record and maintain a record of any votes or other actions taken by electronic communication at the meeting.

In the event New York State does not permit meetings of Unit Owners to be held by electronic communication, then all meetings are required to be held in person and Unit Owners shall attend either in person or by proxy.

Section 9. **Annual Meetings/Control of Board of Managers by Sponsor.**

The initial Board of Managers ("First Board of Managers") shall be designated by the Sponsor for one (1) year terms and the Sponsor shall have the right to designate First Board of Managers until the First Annual Meeting (the "First Board of Managers").

The First Board of Managers will call for the First Annual Meeting of the Unit Owners within two (2) years of the Closing of Title to the first Residential Unit in the Condominium or within thirty (30) days after the Closing of Title of the last Residential Unit in the Condominium, whichever occurs first.

The Sponsor will have voting control and may designate all the Residential Board Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its successors, assignees and/or designees ("Sponsor Residential Board Control Period").

At the First Annual Meeting, the Residential Board Members shall be elected by the Residential Unit Owners unless otherwise provided below.

The First Board of Managers shall have the right to call for the First Annual Meeting prior to the date provided above. In such an event the Sponsor shall have the right to permit the election of one (1) or more of the Residential Board Members by the Residential Unit Owners. The number of Residential Board Members that may be elected by the Residential Unit Owners shall be in the sole discretion of the Sponsor. In such an event the Sponsor voluntarily relinquishes control of the Residential Board Members the Sponsor will be entitled to designate the remaining Residential Board Members that are not elected by the Residential Unit Owners. In the event the Sponsor voluntarily relinquishes a Board Member's position on the Board of Managers as provided above upon notice to the Board of Managers the Sponsor shall have the right to remove the Residential Board Member(s) that were elected by the Residential Unit Owners and reappoint a Sponsor representative in their place. When the Sponsor no longer owns a Residential Unit in the Condominium, Sponsor may not be entitled to designate any Residential Board Member to the Board of Managers.

After the First Annual Meeting, the Annual Meetings shall be held on or about the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such Annual Meeting, in the event the Sponsor is not entitled to designate all the Members of the Board of Managers, there shall be elected by ballot of the Residential Unit Owners (or designated by the Sponsor should the Sponsor have such right as provided above) the Residential Board Members

of the Board of Managers in accordance with the requirements of Article III of these By-Laws. The Residential Unit Owners may also transact such other business of the Condominium as may properly come before them.

Section 10. Special Meetings.

It shall be the duty of the President to call a Special Meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the Officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the Special Meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Unit Owners of the Condominium entitled to vote or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless all Unit Owners of the Condominium are present in person or by proxy. Any or all of the Residential Unit Owner Members of the Board of Managers of the Condominium, other than those designated by the Sponsor, may be removed with or without cause by vote of a minimum of 66⅔ in number of the Residential Unit Owners of the Condominium at a Special Meeting called pursuant to this section if the meeting is called for such purpose. Sponsor designated Members of the Board of Managers may only be removed by the Sponsor without cause. Notice of Meetings.

It shall be the duty of the Secretary or other designated agent the Board of Managers to provide written notice of the place, date and hour of each Annual or Special Meeting, stating the purpose thereof at least ten (10) but not more than thirty (30) days prior to such meeting. A copy of the notice of any meeting shall be given, personally, by first class mail, facsimile telecommunications or by electronic mail to each Unit Owner entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Unit Owner at the Unit Owner's address as it appears on the record of Unit Owners or, if the Unit Owner shall have filed with the Secretary or designated agent a written request that notices to the Unit Owner be mailed to some other address, then directed to the Unit Owner's such other address. If the notice is sent by facsimile telecommunication or mailed electronically, such Notice is given when directed to the Unit Owners fax number or electronic mail address as it appears on the record of the Unit Owners, or, to such fax number or other electronic mail address as filed with the Secretary or designated agent. Notwithstanding the foregoing, such Notice shall not be deemed to have been given electronically (1) if the Secretary or designated agent of the Board of Managers is unable to deliver two consecutive Notices to the Unit Owner by facsimile telecommunication or electronic mail; or (2) the Secretary or the designated agent of the

Board of Managers otherwise becomes aware that Notice cannot be delivered to the Unit Owner by facsimile telecommunication or electronic mail.

Section 11. Order of Business.

The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of Officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election)
(g) Election of Members (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term.

The affairs of the Condominium shall be governed by a Board of Managers. The First Board of Managers shall consist of three (3) Members (hereinafter "Members") designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the expiration of the Sponsor Control Period. The First Annual Meeting of the Unit Owners will be held within two (2) years of the Closing of Title to the first Residential Unit in the Condominium or within thirty (30) days after the Closing of Title of the last Residential Unit in the Condominium, whichever occurs first. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals at any time.

Subsequent to the Sponsor Control Period, the Board of Managers shall be increased to five (5) Members elected by the Residential Unit Owners.

Until succeeded by the Members elected at the Annual Meeting or Special Meeting of Unit Owners called to elect Residential Unit Owner Members of the Board of Managers, Members do not need to be Residential Unit Owners; thereafter, all Members of the Board of Managers shall be Residential Unit Owners, other than designees or nominees the Sponsor may still be entitled to designate. The Members shall be elected and/or designated at the Annual Meeting of the Unit Owners or as otherwise provided in these By-Laws. After the First Annual Meeting or Special Meeting after the Sponsor Control Period as required pursuant to Article II of the By-Laws, Annual Meetings shall be held on or about the anniversary of the First Annual Meeting or Special Meeting each succeeding year or such other convenient date as the Board of Managers may so designate (the "Annual Meeting"). In the event the Sponsor Control Period has not lapsed, the Sponsor shall designate all the Members of the Board of

Managers at such meeting. In the event the Sponsor Control Period has lapsed, the Members of the Board of Managers will be elected by the Residential Unit Owners in accordance with the requirements set forth below.

At any meeting of Residential Unit Owners to elect a Board of Managers subsequent to the Sponsor Control Period, five (5) Residential Unit Owner Members shall be elected by the Unit Owners. All Members of the Board of Managers, other than the Sponsor designated representatives, shall be nominated by the Unit Owners at the Annual Meeting to elect the Board of Managers. At any Annual or Special Meeting to elect a Board of Managers, the Board of Managers may request nominations to the Board Managers prior to the Annual or Special Meeting, in addition to nominations from Unit Owners at the Annual or Special Meeting. As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased without the consent of the Sponsor.

At any Annual or Special Meeting subsequent to the Sponsor Control Period, the term of office of two (2) of the Members of the Board of Managers shall be fixed for three (3) years, the term of office of two (2) of the Members of the Board of Managers shall be fixed for two (2) years, and the term of office of one (1) of the Members of the Board of Managers shall be fixed for one (1) year. Sponsor Members of the Board of Managers shall be appointed for a one (1) year term. The two (2) Unit Owners receiving the highest number of votes shall be elected to the three (3) year term, the two (2) Unit Owners receiving the next highest number of votes shall be elected to the two (2) year term, and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to the one (1) year term. Each Unit Owner shall be entitled to cast one vote for each Member of the Board of Managers to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Member of the Board of Managers, their successor shall be elected to serve a term of three (3) years. The Board Members shall hold office until their successors have been elected and hold their first meeting.

Any Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any general, Annual or Special Meeting.

Sponsor is entitled to designate all the Residential Board Members to the Board of Managers until all of the Residential Units in the Condominium have been sold and transferred to bona fide Purchasers. Sponsor Residential Board Members shall be appointed for a one (1) year term. At the expiration of the Sponsor Residential Board Member terms, if Sponsor is still entitled to nominate Residential Board Members to the Board of Managers, the Sponsor Residential Board Members shall thereafter continue to be appointed as Residential Board Members for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. When the designated Sponsor Board Members of the Board of Managers of the Sponsor are required to relinquish their position on the Board of Managers the Sponsor will call for

the First Annual Meeting of the Unit Owners as per the provisions of Article II, Section 9 of these By-Laws.

The Sponsor shall have the right to voluntarily resign a position on the Board of Managers prior to the expiration of the Sponsor Control Period. In such an event the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of these By-Laws to elect a Residential Unit Owner for the balance of the Sponsor Member's term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for the balance of the Sponsor Member's term. At the expiration of the term of the appointed or elected Residential Unit Owner replacing the Sponsor designee as provided in this paragraph, the Board of Managers will either (a) call for a Special Meeting of the Unit Owners pursuant to the provisions of Article II, Section 10 of these By-Laws to elect a Residential Unit Owner for a one (1) year term or (b) the remaining Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for a one (1) year term. This procedure shall continue until the First Annual Meeting or Annual Meeting after the expiration of the Sponsor Control Period, at which time the applicable Member's term will automatically expire. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Managers before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Managers that the Sponsor desires to reclaim said position the Member of the Board of Managers appointed or elected to said position shall resign and the Sponsor shall reappoint a Sponsor Member to the Board of Managers.

At such time as the Sponsor no longer owns any Residential Unit in the Condominium the Sponsor Residential Board Members shall resign and the Sponsor will not be able to designate any Residential Board Members to the Board of Managers.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an unsold Residential Unit Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable.

Managers of the Board of Managers shall not be compensated for their services. Managers of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Residential Unit Owners. Managers of the Board who are delinquent in their Common Charges shall be suspended thereto until such time as all Common Charges, including any interest, late fees, penalties and other costs have been paid in full. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

This Section may not be amended without the written consent of the Sponsor.

Section 2. **Vacancy and Replacement.**

If the office of any Residential Board Member becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members of the Board of Managers, though less than a quorum, at a special meeting of the Residential Board Members of the Board of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. At such meeting only the remaining Members of the Board of Managers shall be entitled to vote for said Member's successor or successors. In the event of the failure to hold any election of the Members of the Board of Managers at the time designated for the annual election of the Members of the Board of Managers or in the event that the Members of the Board of Managers shall not have filled any such vacancy, a Special Meeting of the Residential Unit Owners to elect new Members to the Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of Special Meetings of the Unit Owners as provided for in Article II, Section 10 of these By-Laws. If the vacancy occurs with respect to any Member of the Board of Managers who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Member's successor to fill the unexpired portion of the term. In addition, the Sponsor shall have the right to substitute the Members of the Board of Managers it has designated at Sponsor's discretion.

The Board of Managers shall also have the right to call for a Special Meeting in accordance with Article II, Section 10 of these By-Laws to elect a Member's successor to fill the unexpired portion of the term of office.

Section 3. **Removal.**

Members of the Board of Managers, other than Sponsor designees, may be removed with or without cause by an affirmative vote of sixty-six and two-thirds (66 2/3rds) in number of the Residential Unit Owners entitled to vote at a Special Meeting called pursuant to Article II, Section 10 of these By-Laws. Members designated by the Sponsor may only be removed by the Sponsor. No Member other than a Member designated by the Sponsor shall continue to serve on the Board of Managers if, during their term of office, they shall cease to be a Residential Unit Owner. In the event a Sponsor designee Member is removed, the Sponsor shall have the sole right to designate the Sponsor Member replacement.

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Section 4. **Resignation.**

Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to an Officer of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. **Suspension**

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, together with late charges, interest and expenses shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, together with late charges, interest and expenses, if any, are paid in full to the Condominium.

Section 6. **First Board of Managers.**

The Board of Managers shall consist of three (3) Members, appointed by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the expiration of the Sponsor Control Period as provided for in Section 1 of this Article III. Any or all of said Members shall be subject to replacement at the sole discretion of the Sponsor and/or in the event of resignation or death in the manner set forth in Section 2 of this Article. At the expiration of the Sponsor Control Period, the Board of Managers shall be increased to five (5) Members as provided for in Article III, Section 1 of these By-Laws.

Section 7. **Powers.**

(a) The property and business of the Condominium shall be managed by the Board of Directors of the Association on behalf of the Board of Managers and Unit Owners of the Condominium and which Board of Directors may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration of Condominium or by these By-Laws, directed or required to be exercised or done by the Board of Managers or the Unit Owners personally. In the event the Board of Directors of the Association fails to enforce said powers or affirmatively relinquishes said powers, then they shall be exercised and enforced by the Board of Managers of the Condominium. This provision is not subject to amendment. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments (“Common Charges”) to cover the cost of Common Expenses, payable in advance. The Board of Directors of the Association may increase the monthly Common Charges or vote a Special Assessment in excess of that amount, if required, to meet any additional necessary expenses, but said increases can only be assessed among the Unit Owners

pro-rata according to their respective common interest or in such other manner as provided in Article VI, Section 9 of these By-Laws.

2. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and to revise the amount of such fees as the Board of Directors of the Association so determines.

3. To determine and impose move in and move out fees applicable to the Residential Unit Owners and shall revise said fees in its good faith discretion.

4. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements, General Residential Units' Limited Common Elements and any Individual Residential Unit's Limited Common Elements for which the Condominium or the Association is responsible to repair, replace and maintain and any other Common Expenses of the Condominium.

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

6. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the property, including any inspection or repairs necessitated by mold or vermin infestation. No prior notice shall be required in the event the Board of Directors of the Association shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium occupants, residents, or other persons, or required to avoid the suspension of any necessary service to the Condominium. Any repairs required as the result of negligence of a Unit Owner will be at the expense of the Unit Owner.

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

8. To insure and keep insured the Common Elements and Units in accordance with Article VII of these By-Laws.

9. To collect delinquent Common Charges, Special Assessments, late fees, penalties and/or interest by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of

the Condominium for violations of the Declaration of Condominium, By-Laws or the Rules and Regulations of the Condominium.

10. To make reasonable Rules and Regulations applicable to the Units and the Unit Owners and to amend the same from time to time. Such Rules and Regulations and amendments shall be binding upon the Unit Owners when the Board of Directors of the Association have approved them in writing. A copy of such Rules and Regulations and all amendments thereto shall be delivered to each Unit.

11. To make reasonable Rules and Regulations applicable to the Cabanas and to amend the same from time to time. Such Rules and Regulations and amendments shall be binding upon the Unit Owners when the Board of Directors of the Association have approved them in writing. A copy of such Rules and Regulations and all amendments thereto shall be delivered to each Unit.

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

13. To bring and defend actions by or against one (1) or more Unit Owners that are pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, Section 7 (c) of these By-Laws.

14. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner subject to any restrictions contained in these By-Laws, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Directors of the Association.

15. To make additions, alterations, or improvements to the General Common Elements and the General Residential Units' Limited Common Elements.

16. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Common Elements and/or General Residential Units' Limited Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any

Unit or its appurtenant interest in any Common Elements without the written consent of the Owners of said Unit.

17. To act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such an event, the Board of Directors of the Association could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Directors of the Association is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners for which it will perform such service.

18. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments and in violation of the Rules and Regulations. The Board of Directors of the Association shall have the right to revise the amount of such fees as the Board of Directors so determines.

19. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

20. To enter into revocable license agreements for the use of space within the General Common Elements and General Residential Units' Limited Common Elements as long as the license agreement does not materially hinder or encroach upon the rights of Unit Owners to use the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, and/or a Unit.

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

(b) The Board of Directors of the Association may, by resolution or resolutions passed by a majority of the whole Board of Directors of the Association, designate one or more committees, each of such committees to consist of at least one (1) Member of the Board of Directors of the Association, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors of the Association in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors of the Association. Committees established by resolution of the Board of Directors of the Association shall keep regular minutes of their proceedings and shall report the same to the Board of Directors of the Association as required.

(c) As long as the Sponsor retains at least one (1) Unsold Unit in the Condominium, the Board of Directors of the Association may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements of the Condominium that is not a Residential Unit Owner's obligation and/or to any Unit, costing cumulatively more than $50,000, the foregoing not to include necessary repairs and maintenance work; (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; (iii) hire any employee in addition to the employees referred to in the Budget for the first year of operation of the Condominium; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first Closing of title to a Residential Unit; (v) borrow money on behalf of the Condominium; (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation; (vii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent; (ix) utilize Condominium funds or assess the Sponsor; (x) amend the Declaration of Condominium or By-Laws so as to in any way adversely affect Sponsor or a Sponsor-designee; or (xi) interfere with the offer, sale or leasing of Residential Units or construction within the Residential Unit or Residential Units belonging to Sponsor or a Sponsor-designee, operation of general or sales and leasing offices on the Property, or with any actions necessary or desirable for construction, renovation, repair, or

correction of the Property or any Unsold Residential Unit, as determined by Sponsor or a Sponsor-designee, as the case may be for the purpose of commencing a lawsuit against the Sponsor or any of its principals. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(d) As long as the Sponsor retains at least one (1) Unsold Residential Unit in the Condominium, the Board of Directors of the Association may not, without the Sponsor's prior written consent make an addition, alteration or improvement to the General Common Elements or the General Residential Units' Limited Common Elements costing cumulatively more than $50,000, the foregoing not to include necessary repairs and maintenance work. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(e) Notwithstanding Article III, Section 7(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

1. to comply with applicable laws or regulations; or

2. to remedy any notice of violation; or

3. to remedy any work order by an insurer, or

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

(f) Sponsor may exercise veto power over expenses described herein, other than those described in Article III, Section 7(e) of these By-Laws, for a period ending not more than five (5) years after the Closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

(g) In the event the Board of Directors of the Association fails to meet or relinquishes any of its right and/or obligations as described above in this Article III, Section 7, said rights and/or obligations shall then become the rights and/or obligations of the Board of Managers of the Condominium.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Section 8. **Repairs and Maintenance.**

All maintenance, painting, repairs and replacement of the General Common Elements, General Residential Units' Limited Common Elements and Individual

Residential Unit's Limited Common Elements that are the obligation of the Condominium, including but not limited to exterior walls, roof and roof membranes and roof housing of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two (2) or more Units shall be contracted for by and be the responsibility of the Board of Directors of the Association and the cost thereof shall be a Common Expense of the Association, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner. In the event the Association fails to meet its obligations or affirmatively relinquishes its obligations it shall then become the obligation of the Condominium and shall be a Common Expense of the Condominium.

All maintenance, repair and cost to the interior portion of the window area and doors which open from a Unit are the sole obligation of the Unit Owner. All maintenance, repair, replacement and costs to the external portion of the window area, the actual window and external portion of the doors which open or face the outside of a Unit will be the responsibility of the Association and the cost thereof shall be a Common Expense of the Association. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from or face the outside of a Unit be caused as a direct result of the negligence or act of a Unit Owner, occupant, tenant, guest or any other person residing, visiting or doing work in the Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any private balcony, and/or terrace areas that are designated as an Individual Residential Unit's Limited Common Element will be the responsibility of the Association. Notwithstanding, the cost of such repairs and replacements shall be charged to the Individual Residential Unit Owner whom has the exclusive use of the private balcony, and/or terrace unless the repair or replacement is necessitated as a result of general maintenance or repair to the General Common Elements or General Residential Units' Limited Common Elements, in which case the cost shall be a Common Expense of the Association. Any dispute as to who is responsible for the cost and expense of the repairs and replacements to any private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common Element shall be resolved by arbitration pursuant to the provisions of Article XIII of these By-Laws.

All general maintenance and repairs of a private balcony, and/or terrace area

and all fencing, landscaping, pavers, surfaces, railing, drains, utilities, pipes, wires conduits lighting located in or on and for the exclusive use of the private balcony, and/or terrace area that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including, but not limited to, the repair of leaks; the repair, maintenance and replacement of surfaces and pavers thereon; the maintenance and replacement of all landscaping and plantings thereon or therein; and repair, maintenance and replacement of any lighting, mechanical equipment, railing, and/or fencing located thereon or therein;), shall be the responsibility of the Residential Unit Owner whose private balcony, and/or terrace area is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The Board of Directors of the Association shall have the right to designate or approve a contractor or contractors to do the necessary work to the private balcony, and/or terrace area that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

The private balconies and/or terraces that are Individual Residential Unit Limited Common Elements are not permitted to be used for storage, are not permitted to be enclosed and are not permitted to be used for any type of bedroom or for sleeping or similar use. All drains located on a private balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a private balcony and/or terrace, except as may be necessary for the use of said space.

All repairs, maintenance and any replacement of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Residential Unit exclusively shall be the responsibility of the Association for such equipment, services, etc. All costs associated therewith shall be the obligation of the individual Residential Unit Owner who is served by or exclusively benefits from such equipment, services, etc. The Association shall bill the individual Residential Unit Owner and such amount shall be payable to the Association in addition to any Condominium Common Charges and Association Maintenance Charges due by said Residential Unit Owner.

All structural repairs of the Garage shall be the responsibility of the Association. The Garage may only be utilized for the parking of automobiles and similar type vehicles. Residential Unit Owners will not be permitted to store any combustible material or other items in the Garage that may be illegal or cause the Condominium insurance to be increased.

The Board of Directors of the Association, as agent of the Board of Managers of the Condominium, shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and General Residential Units' Limited Common

Elements. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Unit, or caused by any prior alteration of a Unit, shall be assessed to and paid by the applicable Unit Owner.

All snow removal from the General Common Elements and General Residential Units' Limited Common Elements shall be the responsibility of the Association.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Directors of the Association on behalf of the Condominium, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied or waived by the Board of Directors of the Association.

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

The Board of Directors of the Association, on behalf of the Condominium, and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in

the event the Board of Directors of the Association, on behalf of the Condominium, shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

The Board of Directors of the Association, on behalf of the Condominium, shall have the right to designate or approve a contractor or contractors to do any structural work in or on a Residential Unit or Individual Residential Unit's Limited Common Element that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

Section 9. Compensation.

Members and Officers of the Board of Managers, as such, shall receive no compensation for their services.

Section 10. Meetings.

(a) The first meeting of the Members of the Board of Managers newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The Annual Meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board of Managers shall take place.

(b) Regularly scheduled meetings of the Board of Managers may be held without special notice.

(c) Special meetings of the Board of Managers may be called by the President on two (2) days' notice to each Member either personally, by mail or by electronic mail. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of a majority of the Members of the Board of Managers.

(d) At all meetings of the Board of Managers, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Members present at any meeting affecting the Residential Areas of the Condominium or affecting the Residential Unit Owners at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration of Condominium or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members

present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) At all meetings of the Board of Managers that solely affect the Residential Area and/or the Residential Unit Owners, a majority of the Residential Board Members shall be necessary and sufficient to constitute a quorum for the transaction of business solely affecting the Residential Area and/or the Residential Unit Owners, and an act of the majority of the Residential Board Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of the Residential Board Members for such purpose, the Residential Board Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(f) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board of Managers shall be a waiver of notice by the Member of the time and place thereof. If all the Members are present at any meeting of the Board of Managers, no notice shall be required and any business may be transacted at such meeting.

(g) Members of the Board of Managers may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 11. Annual Statement.

The Board of Managers shall furnish all Unit Owners and shall present annually (at the Annual Meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any Special Meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement prepared by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting. During the period the Sponsor retains a majority of the Members of the Board of Managers the annual statement shall be a certified statement verified by a certified public accountant.

Section 12. Fidelity Bonds.

The Board of Managers shall require that all Officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a Common Expense of the Condominium.

Section 13. Management Agent.

The Board of Managers may employ a management agent for the Condominium under a term contract or otherwise at compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, all of the delegable duties of the Board of Managers listed in this Article.

Section 14. Liability of the Board of Managers, Officers and Unit Owners.

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in the Member's capacity as a Member of the Board of Managers or Officer of the Condominium, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer of the Condominium if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's or Officer's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member or Officer personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that the Member, the Officer, the Member's or Officer's testator, was a Member of the Board of Managers, Officer of the Condominium or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer of the Condominium if a judgment establishes that the Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member or Officer was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers or Officers of the Condominium on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration of Condominium or of these By-Laws. It is intended that the Members of the Board of Managers and Officers of the Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the Board of Managers or Officer of the Condominium, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or Officer of the Condominium or out of the aforesaid indemnity in favor of the Member of the Board of Managers or Officer of the Condominium shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, a managing agent, by a Member of the Board of Managers or Officer of the Condominium on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, or Officer of the Condominium as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

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

The above provisions shall be applicable to the Board of Directors of the Association regarding any work or matter the Board of Directors is providing to the Condominium as provided for in this Declaration of Condominium.

Section 15. Annual Reports Required By Section 519A of the Not-For Profit Corporation Law.

(a) The Board of Managers shall provide an annual report to the Unit Owners of the Condominium, which shall be signed by each such Board Member, containing information on any contracts made, entered into, or otherwise transaction pursuant to section seven hundred fifteen of the Not-For-Profit Corporation Law of the State of New York.

(b) The annual report required in subsection (a) of this Section 15 shall include, but not be limited to, the following:

(1) a list of all contracts voted on by the Board of Managers, including information on the contract recipient, contract amount, and the

purpose of entering into the contract;

(2) the record of each meeting including Board Members attending, voting records for contracts, and how each director voted on such contracts; and

(3) the date of each vote on each contract, and the date the contract would be and remain valid.

(c) If the annual report required by Subsection (a) of this Section 15 would, notwithstanding the requirements of this Section, contain no information because of the absence of any actions taken by the Board that would otherwise qualify for inclusion in such annual report, then the Board of Managers shall instead submit to the Unit Owners a document signed by each Board Member of the Board of Managers indicating: "No actions taken by the Board were subject to the annual report required pursuant to Section 519-A of the Not-For-Profit Corporation Law."

ARTICLE IV. OFFICERS

Section 1. Elective Officers.

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Unit Owners or Members of the Board of Managers. Appointed Officers do not need to be Unit Owners or a Member of the Board of Managers. Two (2) or more offices may be held by the same person, except the President, who can only hold the office of President.

Section 2. Election.

The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a President, a Vice President, a Secretary and a Treasurer.

Section 3. Appointive Officers.

The Board of Managers may appoint such other Officers and agents as it shall deem necessary that shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Managers.

Section 4. **Term.**

The Officers shall hold office until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. **The President.**

The President shall be the chief executive Officer of the Condominium; shall preside at all meetings of the Unit Owners and Members of the Board of Managers, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board of Managers are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York. The President may delegate obligations and responsibilities to other officers.

Section 6. **The Vice-President.**

The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Business Corporation Law of the State of New York.

Section 7. **The Secretary.**

The Secretary and/or Assistant Secretary shall attend all sessions of the Board of Managers and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. **The Treasurer.**

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

The Treasurer shall disburse the funds of the Condominium as the Treasurer may be ordered by the Board of Managers, making proper vouchers for such

disbursements and shall render to the President and Members, at the regular meeting of the Board of Managers or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

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

Section 9. Agreements, etc.

All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICE

Section 1. Definition.

Whenever under the provisions of the Declaration of Condominium or of these By-Laws, notice ("Notice") is required to be given to the Board of Managers, any Member of the Board of Managers or any Unit Owner, Notice ("Notice") shall be provided by first class mail, courier service, facsimile telecommunications or by electronic mail to the respective party. If mailed, such Notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the respective party's address as it appears in the records of the Condominium. If by courier, Notice is given when received by the respective party as evidenced by the courier provider. If the Notice is sent by facsimile telecommunication or mailed electronically, such Notice is given when directed to the respective parties' fax number or electronic mail address as it appears in the records of the Condominium.

Section 2. Service of Notice Waiver.

Whenever any Notice is required to be given under the provisions of the Declaration of Condominium, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks.

All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other Officer or Officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments.

The Board of Directors, on behalf of the Board of Managers, and the Condominium or the Board of Managers, should the Board of Directors of the Association fail to meet its obligations or affirmatively relinquish its obligations, shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments and maintenance of the General Common Elements, General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements and other Common Expenses including but not limited to the Common Expenses provided in Article VI, Section 3 of these By-Laws, as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 9 hereof.

Said assessments shall be payable monthly or in such other manner as determined by the Board of Managers and shall be referred to as Common Charges.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may also charge additional assessments in excess of the Common Charges for expenses not contemplated, foreseen, or which exceed the amount budgeted. Said assessments shall be known as Special Assessments. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall be entitled to charge a Special Assessment as a single sum or over a period of time as it may determine. Unit Owners shall pay their portion of any Special Assessments in accordance with Section 9 of Article VI of the By-Laws.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all Special Assessments assessed against the Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late fee" of $.25 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges and/or Special Assessments or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late fees," interest and expenses shall be cumulative and shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charges by any Unit Owner, the Board of Directors, on behalf of the Board of Managers of the Condominium, and the Condominium, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment. Lender shall have a thirty (30) day grace period in which to make the late payment.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may place a lien and take action to collect any past due Common Charges from any Unit Owner which remains unpaid as provided in Article IX of these By-Laws from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339-aa of the Real Property Law or otherwise.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner's Unit when due as determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

Every Residential Unit Owner shall pay the amount assessed against the Residential Unit Owner's Residential Unit for a Residential Units' Exclusive Cost when due as determined by the Members of the Board of Managers and no Residential Unit Owner may be exempt from liability for the payment of the amount due under a Residential Units' Exclusive Cost assessed against the Residential Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Residential Unit. However, no Residential Unit Owner shall be liable for the payment of any Residential Units' Exclusive Costs accruing subsequent to a sale, transfer or other conveyance by the Residential Unit Owner of such Residential Unit. Failure of a Residential Unit Owner to pay its applicable amount due for any Residential Units' Exclusive Costs that is charged by the Residential Board Members shall be treated in the same manner as a default of Common Charges pursuant to Article IX of these By-Laws. Any dispute regarding an amount to be paid by a Residential Unit Owner shall be resolved by Arbitration pursuant to the provisions of Article XIII of these By-Laws.

Notwithstanding any other provision in the Declaration of Condominium or these By-Laws any mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a 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

Common Charges accrued before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges and/or Special Assessments, the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges and/or Special Assessments. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title to a Unit such mortgagee of an Institutional Mortgagee; its successors and assigns shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable thereafter.

Section 3. Purpose of Common Charges

The Common Charges shall be used to pay for the Common Expenses of the Condominium. The Common Expenses shall include but not limited to operation, repair and maintenance of the General Common Elements, the General Residential Units' Limited Common Elements and any Individual Residential Unit's Limited Common Elements the Condominium that have been delegated to the Condominium to repair, maintain and replace as provided for in the Declaration of Condominium and/or these By-Laws regardless of whether or not a Unit utilizes such services. The Common Expenses shall include the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and the fees and disbursements towards any Insurance Trustee as per the provisions of Article VII of these By-Laws. The Common Expenses shall include all costs of drainage, stormwater drainage, sewer, water and/or storm systems (including but not limited to sewers, storm sewer and/or water pipes, drywells, detention tanks or other facilities (including vent lines, ejectors, interceptors, filters and valves, downspouts and roof drainage systems) servicing the drainage, sewer water and/or storm systems as applicable, all costs associated with the sub-slab depressurization systems, and other Building wide obligations of the Condominium contained in the Declaration of Condominium and these By-Laws. The Common Expenses shall further include, as applicable, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a Reserve Fund solely for capital improvements, insurance for replacements, all costs of common utilities; labor; legal and accounting professional fees for the Condominium; outside services and supplies; management fees; contingencies and any other expenses that are Common Expenses of the Condominium. The Common Expenses may also include any Special Assessments to make up any deficit in the Common Expenses from any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

Section 4. **Foreclosures of Liens for Unpaid Common Charges**

The Board of Managers shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board of Managers to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board of Managers shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorney's fees.

Section 5. **Statement of Common Charges.**

Upon the written request of any Unit Owner or their mortgagee, the Board of Managers shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 6. **Liability for Utilities.**

All costs of any utility, including electricity and gas, individually consumed and individually metered or sub-metered to an individual Unit shall be the sole expense of each individual Unit Owner.

Section 7. **Operating Account.**

There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly Common Charges and Special Assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and Common Expenses and for the purchase, lease, sale or other expenses resulting from the purchase or lease of a Unit.

Section 8. **Real Estate Taxes.**

In the event the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Unit. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due

and payable. After the Units are separately assessed, the funder of the escrow account and the Unit Owner will be reimbursed for any overpayment of taxes or assessed for an underpayment.

In the event Sponsor has elected, in its sole and absolute discretion, not to establish at the Closing of Title to the First Residential Unit the real estate tax escrow described above, then until the Units are separately assessed for real estate tax purposes, the Board of Managers shall charge each Unit Owner, as a Common Charge, its respective pro rata share (on the basis of the percentage of Common Interest attributable to such Unit) of all real estate taxes with respect to the Property, and the Board of Managers shall in turn pay such taxes to the proper authorities of the City of Long Beach, County of Nassau, or instead directly to Sponsor if Sponsor has paid such taxes.

Section 9. **Other Accounts.**

The Board of Managers shall maintain any other accounts it shall deem necessary to carry out its purpose including a reserve account and working capital account.

Section 10. **Determination of Common Expenses and Fixing of Common Charges.**

The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements, General Residential Units' Limited Common Elements and the Individual Residential, maintain and replace as provided for in the Declaration of Condominium and/or these By-Laws as well as Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owner(s) to meet the Common Expenses and other expenses applicable thereto, and allocate and assess such Common Charges and Common Expenses among all the Unit Owners and, unless otherwise determined by the Board of Managers pursuant to Sections 339-m of the Condominium Act, in proportion to their respective Percentage of Common Interest in the Condominium as reflected in Schedule B of the Declaration of Condominium.

As provided in Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be adjusted by the Board of Managers based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses, no matter how classified, based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. In connection therewith certain common costs may be charged solely to the Residential Units based upon the pro-rata percentage of the square footage of an individual Residential Unit's square footage as reflected in Schedule B of the Declaration to the overall square footage of all the Residential Units of the Condominium as reflected in Schedule B of the Declaration of Condominium ("Residential Units' Exclusive Costs"). In the event of any dispute as to the allocation of

the Common Charges or a Residential Units' Exclusive Cost, such dispute shall be submitted for arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

Common Expenses of the Condominium shall include but not be limited to the Common Expenses referred to in Article VI, Section 3 of these By-Laws.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of the budget on which such Common Charges and Expenses are based, to all Unit Owners.

The Sponsor, its successor, assignee and/or designee shall be responsible for the Common Charges assessed against each Unit owned by the Sponsor, its designee, assignee and/or successor until such Unit is transferred to a bona fide purchaser.

In addition to any Common Charges each Homeowner shall be required to pay their applicable share of the Common Expenses of the Homeowners Association as provided for in the Declaration of Covenants and Restrictions and By-Laws applicable to the Association.

Section 11. Power of Attorney to Homeowners Association

The Board of Managers shall delegate and appoint the Board of Directors of the Association as their Power of Attorney and manager to act in place of the Board of Managers to carry out any or all of the provisions of this Article VI of the By-Laws. In the event the Board of Directors fails to meet or relinquishes any of its rights and /or obligations as described herein said rights and/or obligations shall then become the rights and/or obligations of the Board of Managers of the Condominium.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board of Managers.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall be required to obtain and maintain, to the extent obtainable from generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements no matter how classified and the Units in the Building of the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not

such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners, contained therein, covering the interest of the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may determine. All such policies shall provide that adjustment of loss shall be made by Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with the approval of the Insurance Trustee, and that the net proceeds thereof, if $100,000 or less, shall be payable to the Board of Managers, and if more than $100,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the Percentage of Common Interest applicable to said Unit. The policy shall be extended to include any additional insured including but not limited to the Sponsor, other Unit Owners, and any Mortgagees.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies

shall include the standard form of a “Special Condominium Endorsement” or its equivalent. All policies shall include an “Agreed Amount Endorsement” and, if available, an “Inflation Guard Endorsement.”

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employer’s liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to *3* months aggregate assessments on all Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage

Association, ("Fannie Mae") Servicers on behalf of Fannie Mae also receive such notice of cancellation or modification.

Section 2. The Insurance Trustee.

The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $10,000,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty.

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net 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 the respective Percentage of Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on their Unit, in the order of the priority of such liens.

Section 4. Residential Unit Owner Insurance

Each Residential Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively "Contents") and liability insurance covering their Residential Unit and extended to include the Board of Managers, the Condominium, any Managing Agent and other Residential Unit Owners as additional insured's. Such insurance is subject to the approval of the Board of Managers in advance of the purchase of a Residential Unit, in the Board of Manager's sole discretion. The policy shall be extended to include any additional insured including but not limited to the Sponsor, other Residential Unit Owners and any Mortgagees. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board of Managers reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Residential Unit Owners are instructed to carry coverage for loss of rents, water damage, sewer and drain back up and such other coverage for their contents as they may determine to be in their best interests. The Board of Managers shall have the right to require that a Residential Unit Owner provide evidence to the Board of Managers of the insurance required herein as requested by the Board of Managers.

Section 5. General

Under no circumstances shall Residential Unit Owner permit or suffer anything to be done or left in a Residential Unit Owner's Residential Unit which will increase the insurance rates on the Residential Unit or any other Residential Unit or on the Common Elements, no matter how classified.

Section 6. Power of Attorney to Homeowners Association

The Board of Managers shall delegate and appoint the Board of Directors of the Association as their Power of Attorney and manager to act in place of the Board of Managers to carry out any or all of the provisions of this Article VII of the By-Laws. In the event the Board of Directors fails to meet or relinquishes any of its rights and/or obligations as described herein said rights and/or obligations shall then become the rights and/or obligations of the Board of Managers of the Condominium.

ARTICLE VIII. RULES AND REGULATIONS

Section 1. The Boardwalk Long Beach Homeowners Association, Inc.

The Board of Managers of the Condominium delegates and appoints the Board of Directors of the Association as their Power of Attorney to act in place of the Board of Managers to carry out any or all of the provisions of this Article VIII of the By-Laws. Any or all of the rights and obligations that have been delegated to the Board of Directors of the Association in this Article VIII, shall become the right and obligation of the Board of Managers of the Condominium in the event the Board of Directors of the Association fails to meet or enforce the provisions of this Article VIII or affirmatively relinquishes said rights and obligations.

Section 2. General

In addition to the other provisions of these By-Laws, the following ("Rules and Regulations") together with such additional Rules and Regulations as may hereafter be adopted by the Board of Directors of the Association on behalf of the Board of Managers of the Condominium shall govern the use of the Units and the conduct of all Unit Owners and occupants thereof.

Section 3. Rules and Regulations Applicable to All Unit Owners.

(a) All Residential Units shall be used for residential purposes only in accordance with municipal regulations. All rentals other than rentals by the Sponsor must be subject to local zoning ordinances and any City, Town, County, and/or State requirements.

(b) Unit Owners, members of their families, their employees, tenants, guests and their pets shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other Unit Owners, or in such a way as to be injurious to the reputation of the Condominium.

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner, the Unit Owner's permitted lessees and occupants of such Units, their respective family members and guests, employees or such other person for whose conduct the Unit Owner is legally responsible.

(e) Maintenance.

1. Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner's exclusive use which is their sole responsibility and, which if not done would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms a part, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

2. All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

(f) Structural Changes.

1. No Residential Unit Owner may make any alterations, additions or changes to any part of the Common Elements nor may any structure (including fencing and/or railing) or other improvement (including landscaping) be built or placed on any portion of the Common Elements, General Residential Units' Limited Common Elements, an/or Individual Residential Unit's Limited Common Elements without the written consent of the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association. No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Residential Unit Owner's Unit, or any Limited Common Element of the Residential Unit, without the prior written approval of the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association. Said Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed alteration, additional , or change to any part of the Common Elements (no matter for classified), structural addition, alteration, or improvement in such Residential Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association of the proposed addition, alteration or improvement.

   No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as

the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work; (2) executing and delivering to the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association an agreement, in form and substance reasonably satisfactory to the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done; (3) executing and delivering to the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association an agreement indemnifying and holding harmless the Board, its members and Officers, and all Residential Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work; and (4) obtaining all approvals, as necessary, from the City of Long Beach, Nassau County, or any other governmental agency.

In the event the Board of Directors of the Association as detailed in Article XVII, Section 3 of the By-Laws of the Association chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the Residential Unit Owner's alterations, additions, or improvements.

Any application to any department of Nassau County, the City of Long Beach, or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit shall be completed by the Residential Unit Owner and executed by the Board of Directors of the Association and the Board of Managers of the Condominium, if required, as detailed in Article XVII, Section 3 of the By-Laws of the Association only, without however, incurring any liability on the part of the Board of Directors of the Association or the Board of Managers of the Condominium if required, as detailed in Article XVII, Section 3 of the By-Laws of the Association 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.

These provisions shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed by the Sponsor or such designee.

The Board of Directors reserves the right to designate a contractor or sub-contractor to do any work that is requested by a Residential Unit Owner at the Residential Unit Owner's sole cost and expense.

Neither the Board of Managers nor the Board of Directors of the Association shall use the above provisions in a way that would violate any rights a Residential Unit Owner may have pursuant to the Federal Fair Housing Act or New York State Human Rights Law.

2. No alteration, addition or change to any part of the General Common Elements, General Residential Units' Limited Common Elements or any Individual Residential Unit's Limited Common Elements may be made and no structure or other improvement (including landscaping) may be built or placed on any portion of the Common Elements or Individual Residential Limited Common Elements without the written consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

(g) The Common Elements shall not be used for storage purposes except if specifically designated for such purposes.

(h) No Unit Owner shall paint or change the exterior surfaces of the windows, walls or doors opening out of their Unit.

(i) Each Unit Owner shall keep their Unit and its appurtenant Individual Residential Unit's Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(j) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units and the Building. No vehicle belonging to a Unit Owner, to a family member of a Residential Unit Owner, resident or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(k) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in any of the passageways, public halls, elevators, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(l) Unit Owners, residents, occupants, tenants, agents, servants, licensees or their guests are not permitted to play in, exercise or use for any unintended purposes, the entrances, passageways, public halls, vestibules, corridors and stairways of the Condominium.

(m) No public hall of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

Section 4. **House Rules and Regulations for the Residential Units and General Residential Units' Limited Common Elements.**

(a) The sidewalks, entrances, lobby, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Residential Area of the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

(b) No carriages, strollers, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other Residential Areas of the Building.

(c) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Residential Area of the Building, nor shall any fire exit thereof be obstructed in any manner.

(d) Nothing shall be hung or shaken from any doors, windows, balconies or terraces, or placed upon the exterior window sills, of the Residential Area of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance there from. The Common Elements, General Residential Units' and Individual Unit's Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(e) There shall be no playing or lounging in the elevators, lobby, entrances, passageways, public halls, vestibules, corridors, or stairways, of the Residential Area of the Building, except in designated recreational areas, if any, or other areas designated as such in the Declaration of Condominium or by the Board of Directors,

on behalf of the Board of Managers of the Condominium and the Condominium.

(f) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may, from time to time, curtail or relocate any portion of the General Residential Units' Limited Common Elements that may be devoted to storage, recreation, or service purposes in the Residential Area of the Building.

(g) Nothing shall be done or kept in any Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. No Residential Unit Owner shall permit anything to be done or kept in their Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any of the Residential Unit Owner's family members, tenants, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in their Residential Unit or Individual Residential Unit's Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential Unit or the Individual Residential Unit's Limited Common Elements.

(h) No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Residential Unit or the Individual Residential Unit's Limited Common Elements or permit anything to be done therein that will materially interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a Compact Disk Player, iPod, phonograph, radio, television set, or other similar equipment in such Residential Unit Owner's Unit between midnight and the following 8:00 A.M. in such a manner as to disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. in such a manner as to disturb or annoy other occupants of the Building.

(i) No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not

including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

(j) No Residential Unit Owner shall install any plantings in the Common Elements or the Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit (other than what was originally provided by the Sponsor) without the prior written approval of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. It shall be the responsibility of the Residential Unit Owner to maintain all plantings in the Residential Units and Individual Residential Unit's Limited Common Elements to prevent any damage to floors, walls or any other part of the Building. Residential Unit Owners shall pay for the cost of any repairs rendered necessary, or damage caused, by such plantings.

(k) Residential Units shall be used solely for residential occupancy. Home occupation or professional are strictly prohibited.

(l) The private balconies and/or terraces designated as Individual Residential Unit's Limited Common Elements, are not permitted to be used for general storage and are not permitted to be enclosed. No barbecuing, other than any barbeque that is part of the initial Residential Unit installed by the Sponsor, is permitted on any private balcony and/or terrace unless barbequing is not in violation of any municipal or fire code and prior written approval is received by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. All drains located on a private balcony and/or terrace must be kept open at all times. No above ground pools, hot tubs, or similar type of equipment are permitted on any private balcony and/or terrace.

(m) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, which approval may be granted or refused in the sole discretion of the Board of Managers.

(n) No sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration of Condominium and/or By-Laws or shall have been approved in writing by the Residential Board Members or the Managing Agent. Nothing

shall be projected from any window of a Residential Unit without similar approval.

(o) All radio, television, cable or other similar equipment of any kind or nature installed or used in each Residential 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 Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(p) Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(q) Each Residential Unit Owner shall keep their Residential Unit and any Individual Residential Unit's Limited Common Elements that are for the exclusive use of an individual Residential Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(r) The Board of Directors of the Association, on behalf of the Board of Managers of the Condominium and the Condominium, or the Managing Agent, and any contractor or workman authorized by the Board of Directors of the Association, on behalf of the Board of Managers of the Condominium and the Condominium, or the Managing Agent, may enter any room in a Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential 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 Residential Unit for its permitted purposes.

(s) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent may retain a pass-key to each Residential Unit for emergency purposes. 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 the Residential Unit Owner is not personally present to open and permit an entry to their Residential

Unit at any time when an entry therein is necessary or permissible for the health and safety and/or emergency purposes of the Condominium and/or residents of the Condominium under these Rules and Regulations or under the Declaration of Condominium and the By-Laws, and has not furnished a key to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent, then the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium 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 Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

(t) If any key or keys are entrusted by a Residential Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential Unit Owner's Unit, automobile or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, nor the Managing Agent shall (except as provided in Rule (s) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(u) No Residential Unit Owner of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

(v) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall, at the request of a mortgagee of the Residential Unit, report any delinquent Common Charges due from the Owner of such Residential Unit.

(w) Every Residential Unit Owner shall be liable for any and all damage to the Common Elements, no matter how classified, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Residential Unit Owner is legally responsible.

(x) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the Managing Agent with respect to services provided and the management of the Building.

(y) Residential Unit Owners will be permitted to keep dogs, cats or other common household pets in their Residential Unit subject to the provisions of this regulation. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Residential Unit. In addition, no more than two (2) pets may be kept in a Residential Unit without the consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium or the dog is a qualified therapy support dog or animal under the Americans with Disabilities Act, the Fair Housing Act, and/or the New York State Civil Rights Law, required for a qualified resident, tenant and/or guest. No animals may be kept or maintained in a Residential Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance, or noise shall be permanently removed from the Property upon fifteen (15) days written notice from the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. All Residential Unit Owners shall advise the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium of any household pet intended to be kept in their Residential Unit prior to the household pet residing therein. In addition to the above restrictions, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to further adopt additional rules and regulations regarding pets including, but not limited to further limiting the number, size and type of pet including but not limited to the type of breed of such pet permitted to be kept in a Residential Unit. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners shall be responsible for (i) picking up and disposing of their pet's waste; (ii) for any damage caused by their pets to any Common Elements of the Condominium or Common Area of the Association; (iii) keeping their pets immunizations up to date; (iv) indemnifying and holding harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (v) abiding by any and all Rules and Regulations applicable to the Residential Units adopted with respect thereto.

(z) All Residential Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Residential

Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Unit.

(aa) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Residential Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers. The Board of Managers shall have the right to designate or approve a contractor to do any of such work at the Residential Unit Owners' sole expense. In no event, however, shall any exterior glass surface of any windows of a Residential Unit be colored or painted. In the event window guards are required in a Residential Unit, the cost of installing the window guards shall be the sole responsibility of the Residential Unit Owner.

(bb) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(cc) The portion of all window treatments facing the exterior of the Building are required to be white in color.

(dd) No group tour or exhibition of any Residential Unit or its contents may be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Residential Unit, without the prior consent of the Board of Managers.

(ee) The following rules and regulations shall be applicable to the Residential elevator(s) (hereinafter "Residential Elevator") in the Building:

i. Any Residential Elevator(s) shall be used exclusively by the Residential Unit Owners, all occupants of the Residential Unit, all tenants, licensees and guests of the Residential Unit and all permitted individuals and service personnel permitted by the Residential Unit Owner.

ii. Any Residential Elevator(s) of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Residential Units or halls and floors of the Condominium.

iii. No article (including, but not limited to, garbage cans, bottles or mats) may be placed in a Residential Elevator.

iv. Residential Unit Owners, residents, guests, tenants, clients, employees, licensee, or occupants are not permitted to play

in or exercise in the Residential Elevator of the Condominium.

v. Any Residential Elevator(s) or Residential Elevator cabs are not permitted to be decorated or furnished by any Residential Unit Owner in any manner.

vi. All vendors, contractors, sub-contractors and other personal transporting of any equipment, appliances, furniture, plants, or other fixtures to a Residential Unit must utilize the Residential Elevator designated for service at times designated for such purpose by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. All Residential Unit Owners, tenants or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize any Residential Elevator(s) at times designated for such purpose by the Board of Managers. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may charge a move in and/or move out fee.

vii. Every Residential Unit Owner shall be liable for any and all damage to any Residential Elevator(s) and any equipment for the elevator, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of such Residential Units, their respective family members and guests, employees or such other person for whose conduct the Residential Unit Owner is legally responsible, including all vendors, contractors, sub-contractors and other personal transporting any equipment, appliances, furniture, plants, or other fixtures to such Residential Unit.

viii. Repairs and maintenance of an elevator, regardless of how classified, will be a Common Expense of the Association.

ix. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall be authorized to adopt separate rules and regulations regarding any Residential Elevator for use as a service elevator including hours of operation, a move in and move out fee and such other rules and regulations to insure the efficient operation of the Residential Elevator.

(ff) Any storage spaces are to be used for storage of general household

items. Residential Unit Owners, their occupants, and tenants will not be permitted to store any combustible material or other items in a storage space that may be illegal or cause the Condominium insurance to be increased or is not in compliance with the building code of the City of Long Beach.

(gg) Any consent or approval given under these Rules and Regulations applicable to the Residential Units may be amended, modified, added to, or repealed at any time by resolution of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. Any such consent or approval may, in the discretion of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent, be conditional in nature.

(hh) Complaints regarding the service of the Condominium shall be made in writing to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or to any Managing Agent.

(ii) The private terraces and/or balconies designated as Individual Residential Unit's Limited Common Elements are not permitted to be used for general storage, are not permitted to be enclosed and are not permitted to be used for any type of bedrooms or for sleeping or similar use.

(jj) No television or radio receiving device or any other type of receiving or transmitting device shall be erected on the exterior or roof of the Building or on any Individual Residential Unit's Limited Common Element without the prior written consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may adopt such rules and regulations pertaining to satellite dishes so as to comply with current Federal Communications Commission rules.

(kk) Any Residential Unit Owner who mortgages or sells or leases their Unit shall immediately notify the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, providing the name and address of the new mortgagee new Residential Unit Owner or tenant within thirty (30) days of the closing of the mortgage, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Residential Unit for the new Purchaser or thirty (30) days prior to any tenant occupying the Residential Unit, whichever is applicable and subject to the Board of Directors', on behalf of the Board of Managers' of the Condominium,

and the Condominium's Right of First Refusal as provided for in Article XI of these By-Laws.

(ll) Except as permitted under the Declaration of Condominium and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sub-lessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building except for any portion of the roof that may be used for passive recreational use by the Residential Unit Owners. The Board of Managers shall have the right to adopt rules and regulations regarding the use and times of operation of any portion of the roof used for passive recreational use by the Residential Unit Owners including requiring a deposit for any damage caused to said area and charging a fee for said use. No barbequing is permitted on any portion of the roof used for passive recreational use by the Residential Unit Owners unless barbequing is not in violation of any municipal or fire code and prior written approval is received by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

(mm) The Bicycle Storage Space Area may only be utilized by the Residential Unit Owners and occupants of the Residential Unit, including tenants of the Residential Unit for storage of bicycles. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may adopt rules and regulations regarding the use of the Bicycle Storage Space Area.

(nn) No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit and/or Individual Residential Unit's Limited Common Elements prior to the issuance of a Permanent Certificate of Occupancy for the Building and/or Residential Unit that will prevent or delay the issuance of a Permanent Certificate of Occupancy or Temporary Certificate of Occupancy. No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit and/or Individual Residential Unit's Limited Common Elements that will prevent the renewal or extension of a Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy for the Residential Unit or Building. Any Residential Unit Owner making such change, addition and/or alteration shall be solely liable and responsible and shall pay all costs and expenses required to replace and/or repair the Residential Unit and/or Individual Residential Unit's Limited Common Element as may be required by the Department of Buildings of the City of Long Beach or any other City, Town, County, State or Municipal agency so that the Residential Unit and/or Building shall obtain a renewal or extension of a Temporary Certificate of Occupancy and/or the issuance of a

Permanent Certificate of Occupancy. In the event the Residential Unit Owner fails to replace and/or repair the Residential Unit so as to obtain an extension or renewal of a Temporary Certificate of Occupancy and/or issuance of a Permanent Certificate of Occupancy, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to enter into and upon the Residential Unit and/or Individual Residential Unit's Limited Common Elements upon reasonable notice and make all necessary changes required to obtain an extension or renewal of a Temporary Certificate of Occupancy or the issuance of a Permanent Certificate of Occupancy. All costs and expenses, including reasonable legal fees, incurred by the Condominium shall be charged to the Residential Unit Owner as an additional Common Charge to the Residential Unit Owner.

(oo) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to promulgate rules and regulations regarding the moving in and/or moving out of the Building by a Residential Unit Owner including the right to charge a move in and/or move out fee to said Residential Unit Owner.

(pp) No exercise equipment shall be placed on any balcony, and/or terrace that is an Individual Residential Unit's Limited Common Element, or any area outside of a Residential Unit.

(qq) Each Residential Unit Owner shall be required to keep the Residential Unit Owner's Residential Unit and its appurtenant Limited Common Elements in a good state of preservation, condition, repair, and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, or windows thereof, any dirt or other substance.

(rr) Any interior alterations or improvements made to a Residential Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(ss) No immoral, improper, offensive, or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(tt) Each Residential Unit Owner, at the Residential Unit Owner's sole cost and expense shall be required: (i) to maintain and repair the Residential Unit Owner's Residential Unit, including all items included

in the Residential Unit, and its appurtenant Limited Common Elements (other than the portions of the Limited Common Elements expressly stated to be maintained and repaired by the Association) in good and proper working order, first-class condition and appearance, free of water leaks and undue air penetration, free and clear of snow, ice, water accumulation, debris and objects, and otherwise in clean, neat and sanitary condition in keeping with the high quality, character, standards and dignity of the Community, in accordance with all applicable laws and governmental codes, regulations, restrictions and requirements; and (ii) to perform all work: (ii-1) in a good and workmanlike manner with a quality of workmanship that meets or exceeds any relevant specific standards required by applicable law or governmental requirements, as well as locally accepted construction practices for projects comparable to the Community; and (ii-2) utilizing materials compatible with, and of at least equal or better quality to, those used in the original construction of the Residential Unit.

(uu) The Board of Directors shall have the right to require that a Residential Unit Owner utilize a contractor or sub-contractor of the Board of Director's choosing for any repairs, maintenance and/or replacement of a Limited Common Element that is a Residential Unit Owner's obligation at the Residential Unit Owner's sole cost and expense.

(vv) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Directors of the Association, the Board of Managers of the Condominium, or the Managing Agent with respect to services provided and the management of the Building.

Section 5. Smoking Policy.

Smoking and the use of e-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas, storage areas, garages and laundry rooms in the Building is prohibited. The following constitutes the Smoking Policy applicable to the Condominium and to all Unit Owners, residents, tenants, guests, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium:

(a) Definitions:

(i) Smoking: 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 designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-Cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all general common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, laundry room, storage area, mechanical room, equipment room, cellar, basement, elevator, garage, rooftop, play areas, parking areas, balconies, courtyards, patios, and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and use of Electronic Cigarettes are prohibited from the roof, balconies, terraces or any space designated as a General Residential Units' Limited Common Element, and Individual Residential Unit's Limited Common Element appurtenant to the Unit or Units.

(iii) All legal Smoking and use of Electronic Cigarettes is permitted within the interior area of a Residential Unit provided same does not interfere with other Residential Unit Owner use and enjoyment of their Units.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit shall incorporate the provisions of the Smoking Policy into the lease with the Residential Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

(d) Arbitration:

Disputes regarding the Smoking Policy shall be submitted for arbitration pursuant to the provisions of Article XII of the By-Laws of the Condominium.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, congregants, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium.

Section 6. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or by the Managing Agent, of a signed written complaint alleging violation of any of the Rules and Regulations or other provisions of the By-Laws or the Declaration of Condominium as herein established or hereafter established or adopted by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall make a determination as to the validity of the complaint.

(b) If, it is determined that the complaint is valid and justified the Managing Agent, if any, or the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium if no Managing Agent, shall be directed to send written notice to the Unit Owner levying a reasonable fine as determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium upon the Unit Owner and instructing the Unit Owner to stop, curtail, correct or eliminate the violation, if applicable, within a period of five (5) days from the date of receipt of such notice. Such fine is to be considered as an additional Common Charge obligation to the account of the Unit Owner and shall be treated as such regarding late penalties and a lien upon the Property as elsewhere provided for in the Declaration of Condominium or By-Laws. If the violation is not stopped, curtailed, corrected or eliminated, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may assess additional fines in an amount determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium and may continue to levy additional fines in a reasonable amount determined by the Board of Managers every thirty (30) days thereafter. The initial fine and any additional fines shall be cumulative. If the violation results in loss of or damage to property classified as a Common Element, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall itself or direct a Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the Unit Owner as an additional Common Charge.

(c) In addition to the right to issue fines for violations of the Rules and Regulations as provided above the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall be entitled to any other remedies that may be available to Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to enforce the Declaration of Condominium, the By-Laws and/or the Rules and Regulations of the Condominium.

Section 7. Costs.

Any costs incurred by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to remedy or cure any violation of the Rules and Regulations, By-Laws or Declaration of Condominium as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the fine(s) levied upon the Unit Owner as described in Article VIII, Section 5 of the By-Laws. In the event a Unit Owner's tenant violates the provisions of any Rule and Regulation or any other provision of the By-Laws, fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with the Unit Owner's tenant for the payment of same. All leases for a Residential Unit are required to contain a provision giving the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium authority to assess fines against a tenant of a Residential Unit Owner for any violation of a Rule or Regulation adopted by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

In the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium institutes legal action for the collection of any fines for the enforcement of any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit.

Section 8. Board of Managers Right to Change Rules and Regulations.

Except as may be otherwise provided in this Article VIII, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the following rights:

(a) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium reserves the right to amend, rescind, repeal, alter, waive, modify or add, as to one or more Unit Owners, occupants, lessees, guests and any other person residing in the Building, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and

the Condominium deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of the Unit Owners, occupants or others in the Condominium. No amendment, rescission, repeal, alteration, waiver, modification or addition of any Rule or Regulation in respect of one Unit Owner, occupant lessee, guest or other person residing in the Building will operate as an amendment, rescission, alteration, modification, addition or waiver in respect of any other Unit Owner.

(b) Any consent or approval given under these Rules and Regulations may be amended, rescinded, waived, modified, added to, or repealed at any time by resolution of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. Further, any such consent or approval may, in the discretion of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Managing Agent, be conditional in nature.

Section 9. Sponsor.

The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

Section 10. Complaints

Complaints regarding the service of the Condominium shall be made in writing to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or to the Managing Agent.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any Common Charges, Special Assessments, fines, late fees or any other sums, charges or assessments required to be paid when due, as determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall notify the Unit Owner and the mortgagee, if any, of such Unit and may place a lien on such Unit pursuant to the provisions of Section 339-z of the Real Property Law of the State of New York.

In the event a Unit Owner does not remit payment of their Common Charges, Special Assessments, or any other sums, charges or assessments required to be paid when due the Unit Owner shall be required to pay all late fees and other fees as provided for in Article VI, Section 2 of these By-Laws.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may take action to foreclose any lien for past due Common Charges in accordance with Section 339-aa of the Real Property Law or otherwise. During the period of time the Sponsor retains a majority of the seats of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges. In any such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to judgment of foreclosure and sale and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges Special Assessments, fines, late fees or any other sums, charges or assessments determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium at the option of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, without foreclosing or waiving the lien securing such or other sums, charges or assessments determined by the Board of Managers at the option of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. In such an event the Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it, incident to the collection of the delinquent Common Charges.

Notwithstanding anything contained herein regarding the Common Charges, Special Assessments, fines and late fees, any foreclosure by a holder of an Institutional Mortgage shall be subject to the provisions of Article VI, Section 2 of these By-Laws.

ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment; (b) that the amendment shall be approved by not less than sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Percentage of Common Interest and (c) said amendment shall be set forth in a duly recorded amendment to the Declaration of Condominium. In addition, the following shall apply to amendments to the By-Laws:

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

(b) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold

Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

(c) The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the right to amend these By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors. In connection therewith each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to amend these By-Laws for said purposes.

(d) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights, and priorities of a mortgagee.

(e) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Residential Units or the General Residential Units' Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

(f) The Sponsor shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to (a) make corrections that are patent errors, inconsistencies, scrivener's errors or technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor Residential Board Control Period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium. In connection therewith each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Sponsor, its successors, assigns and purchasers of undeveloped or unsold Units to amend these By-Laws for said purposes.

(g) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for

maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Residential Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of these By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or in the event condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to these By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNIT

Section 1. Selling and Leasing Residential Units.

Any Residential Unit may be conveyed subject to local zoning ordinances, by its Residential Unit Owner free of any restrictions except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate or sell their Residential Unit unless and until all unpaid Common Charges, Special Assessments and any other fees or charges owed the Condominium that have been assessed against the Residential Unit Owner's Residential Unit that is likewise owned by the Residential Unit Owner shall have been paid. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Residential Unit. In addition, all sales of a Residential Unit are subject to the Right of First Refusal of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium as provided for in Section 2 hereof.

Any Unit Owner may convey the Unit Owner's Unit and Percentage of Common Interest appurtenant thereto, to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium on behalf of all Unit Owners free of any cost to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Unit Owners and upon such conveyance

such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit.

Any Residential Unit may be leased subject to the leasing requirements contained in Section 7 of this Article XI and subject to the Board of Directors', on behalf of the Board of Managers' of the Condominium, Right of First Refusal as provided in Section 2 of this Article XI. In addition, any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium as set forth in Section 7 below to the Managing Agent or the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium in the absence of a Managing Agent. All leases must comply with all the requirements contained in Section 7 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

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

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

Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

Section 2. Right of First Refusal/Residential Units

No Residential Unit Owner other than Sponsor, its successors, assigns and/or designees, may sell or lease their Residential Unit except by complying with the following provisions:

Any Residential Unit Owner who receives a bona fide offer to (a) purchase the Residential Unit Owner's Residential Unit together with (i) the undivided interest in the Common Elements appurtenant thereto, and (ii) the interest of such Residential Unit Owner in any Residential Unit theretofore acquired by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or the Board of Manager's designee on behalf of all Residential Unit Owners, or Residential Unit Owner's interest in the proceeds of sale or lease of such Residential Unit, if any, or (b)

lease the Residential Unit Owner's Residential Unit, such an offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called the "Offeree Residential Unit Owner." In the event the Residential Unit Owner intends to accept the Outside Offer, the Residential Unit Owner must give notice by certified or registered mail to the Board of Managers of the receipt of such Outside Offer. Said notice shall state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Residential Unit Owner to sell the Residential Unit Owner's Residential Unit or Lease the Residential Unit Owner's Residential Unit to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or its designee, corporate or otherwise, on behalf of all other Residential Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Offeree Residential Unit Owner who has received such Outside Offer to the Board of Managers, on behalf of all Residential Unit Owners, that such Residential Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Residential Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably request. Not later than twenty (20) days after the later of the receipt of such notice or such further information as may have been requested by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may elect, by sending written notice to such Offeree Residential Unit Owner before the expiration of said twenty (20) day period, by certified or registered mail, return receipt requested, to purchase such Residential Unit or to lease such Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee (corporate or otherwise), on behalf of all Residential Unit Owners on the same terms and conditions as contained in the Outside Offer and stated in the notice from the Offeree Residential Unit Owner.

In the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall timely elect to purchase any such Residential Unit or to Lease such Residential Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or lease shall be executed at the office of the attorneys for the Condominium, in accordance with the terms of the Outside Offer, within sixty (60) days after the giving of notice by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium of its election to accept such offer. If, pursuant to such Outside Offer to purchase such Residential Unit, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Residential Unit Owner's existing mortgage or mortgages, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may purchase the Residential Unit and assume to take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Residential Unit Owner, if such Residential Unit is to be sold,

shall convey the same to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or to its designee, on behalf of all other Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and other documents and/or documentary stamps affixed at the expense of such Residential Unit Owner, who shall also pay all the taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interests, if any, and the Common Charges shall be apportioned between the Offeree Residential Unit Owner and the Board of Managers, or its designee (corporate or otherwise), as of the closing date. In the event such Residential Unit is to be leased, the Offeree Residential Unit Owner shall execute and deliver to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or to its designee (corporate or otherwise), a lease between the Offeree Residential Unit Owner, as Landlord, and the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or its designee (corporate or otherwise), as Tenant, covering such Residential Unit for the rental and terms contained in such Outside Offer.

In the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or its designee shall fail to accept such offer within twenty (20) days after receipt of such notice, as aforesaid, or in the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall, prior thereto, waive such Right of First Refusal in accordance with Sections 3 and 4 of this Article, the Offeree Residential Unit Owner shall be free to accept the Outside Offer within a sixty (60) day period after (i) notice of refusal is sent or (ii) the expiration of the period in which the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium or its designee might have accepted such offer, as the case may be. In the event the Offeree Residential Unit Owner shall not, within such sixty (60) day period, accept in writing the Outside Offer, or if the Offeree Residential Unit Owner shall accept the Outside Offer within such sixty (60) day period, but such sale or lease, as the case may be, shall not be consummated, then should such Offeree Residential Unit Owner thereafter elect to sell such Residential Unit or lease such Residential Unit, as the case may be, the Offeree Residential Unit Owner shall be required to again comply with all the terms and conditions of this Section.

Any deed to an Outside Offeror shall provide that the acceptance thereof by the Outside Offeror shall constitute an assumption of the provisions of the Declaration of Condominium, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of an Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended, or assigned without the prior written consent of the Board of Managers; the tenant shall not assign the tenant’s interest in such Lease or sublet the demised premises or any part thereof without the prior written consent of the Board of Directors, on behalf of the Board of Managers of the Condominium and the

Condominium; and the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (i) a default by the tenant to perform its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Except as herein above set forth, the form of any such lease executed by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or an Outside Offeror, shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain such other modifications as shall be approved in writing by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. Any lease executed by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, as tenant, shall provide that the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Residential Unit in violation of this section shall be voidable at the election of the Board of Managers and, if the Board of Managers shall so elect, the Residential Unit Owner shall be deemed to have authorized and empowered the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium to commence legal proceedings to evict the purported tenant (in the case of an unauthorized leasing) in the name of the said Residential Unit Owner as the purported landlord. Said Residential Unit Owner shall reimburse the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions of Section 2 of this Article XI shall not apply to Sponsor-owned Residential Units, any mortgagee acquiring title to a Residential Unit in a foreclosure, deed-in-lieu of foreclosure, or otherwise through remedies in the applicable mortgages. The Sponsor, its successors, assignees or designees; any mortgagee acquiring title to a Residential Unit in a foreclosure shall have the right to freely sell their Residential Unit or to freely lease all or any part thereof without first having to offer the same for sale or lease to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium.

Section 3. Release or Waiver by Board of Managers of the Right of First Refusal.

The Right of First Refusal contained in Section 2 of this Article XI may be released or waived by the Board of Managers only in the manner provided in this Section 3 of Article XI. In the event the Board of Managers shall release or waive its Right of First Refusal as to any Residential Unit, such Residential Unit may be sold, conveyed or leased free and clear of the provisions of said Sections 1 and 2 and all

other restrictions, except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease the Residential Unit Owner's Residential Unit, unless and until all unpaid Common Charges assessed against the Residential Unit Owner's Residential Unit, shall have been paid to the Board of Managers and all provisions regarding rentals as provided for in Section 7 of this Article XI are met. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Residential Unit or by the Purchaser of the Residential Unit. Further, a Residential Unit Owner may convey the Residential Unit Owner's Residential Unit, the Residential Unit Owner's Common Interest appurtenant thereto to the Board of Managers on behalf of all Residential Unit Owners free of any cost to the Board of Managers or the Residential Unit Owners, and upon such conveyance such Residential Unit Owner shall not be liable for any Common Charges thereafter accruing against such Residential Unit. Any sale or lease of any Residential Unit in violation of this section shall be voidable at the election of the Board of Managers.

Section 4. Certificate of Termination of Right of First Refusal.

A certificate executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 2 of this Article XI have been met by a Residential Unit Owner or stating that the Right of First Refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder shall terminate, shall be conclusive upon the Board of Managers and the Residential Unit Owners in favor of all persons who rely upon such certificate in good faith. The Board of Managers shall furnish, without charge, such certificate upon request to any Residential Unit Owner with respect to whom the provisions of such section have, in fact, terminated.

Section 5. Financing of Purchase of Residential Unit by Board of Managers.

The purchase of a Residential Unit by the Board of Managers or its designee, on behalf of all Residential Unit Owners, may be made from funds deposited in the capital and or expense account of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Residential Unit Owner, in proportion to each Residential Unit's square footage to the overall square footage of all the Residential Units, as reflected in Schedule B of the Declaration of Condominium, as a Special Assessment of just the Residential Units, and/or the Board of Managers may in its discretion finance the acquisition of the Residential Unit; provided, however, that no such financing may be secured by an encumbrance, or an hypothecation of any portion of the Property other than the Residential Unit to be purchased. If financed all costs of the financing and any debt service on the financing shall be paid solely by the Residential Unit Owners in proportion to each Residential Unit's square footage to the overall square footage of all the Residential Units, as reflected in Schedule B of the Declaration of Condominium, as a Special Assessment of just the Residential Units.

Section 6. Exceptions.

The provisions of Section 2 of this Article XI shall not apply with respect to any lease, sale or conveyance of a Residential Unit by (a) the Residential Unit Owner thereof to the Residential Unit Owner's spouse, adult children, parents, parents-in-law, adult siblings, or any one or more of them, (b) to any devisee or beneficiary as a result of the death of the Residential Unit Owner, pursuant to a Will or by operation of law, should the Residential Unit Owner die Intestate or (c) the Sponsor, its successor, assignee or its designee, (d) the Board of Managers, or (e) any proper officer conducting the sale of the Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit, or delivering a deed in lieu of such foreclosure; provided, however, that the new Residential Unit Owner shall be bound by, and the Residential Unit Owner's Residential Unit subject to, the provisions of this Article.

Section 7. Leasing Requirements for Residential Units.

In addition to the Right of First Refusal detailed in Section 2 above, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) No more than two (2) years of rental in any five (5) year period is permitted, regardless of resale.

(b) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease, credit and background check (including criminal background), a minimum of two (2) referrals and any other information that may be requested by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium;

(c) the lease must be in writing;

(d) the lease must be for the entire Residential Unit;

(e) the lease must be for a minimum term of twelve (12) months. Renewal terms shall also have a minimum of twelve (12) months;

(f) the lease must not exceed a maximum of two (2) years in any five (5) year period;

(g) the form of the lease and any renewal lease must contain a provision that the tenant agrees to be subject to the Declaration of Condominium, the By-Laws and Rules and Regulations of the Condominium, and the

Declaration of Covenants and Restrictions and By-Laws of the Association and agrees to accept the power of attorney of the Association and/or Condominium to evict the tenant for any violation by the tenant of the Declaration of Condominium, the By-Laws and Rules and Regulations of the Condominium; and for any violation by the tenant of the Declaration of Covenants and Restrictions and By-Laws of the Association;

(h) the use of the Residential Unit is subject to the Declaration, the By-Laws, and Rules and Regulations of the Condominium and the Declaration of Covenants and Restrictions, By-Laws and the Rules and Regulations of the Association:

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

(j) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium and to the Board of Directors of the Association;

(k) the Residential Unit cannot be used as a motel, hotel, Airbnb, youth hostel, bed and breakfast. In connection therewith, no Residential Unit may be used as a youth hostel, Airbnb, bed and breakfast or for other transient purposes. In connection therewith any person who is not a Residential Unit Owner or permanent resident of the Residential Unit in which said permanent resident resides, shall not be given access to any Residential Unit, unless the Residential Unit Owner or permanent resident of the Residential Unit is present on the premises. Only the Residential Unit Owner and permanent resident of the Residential Unit shall reside in the Residential Unit, and guests of the Residential Unit Owner or of the permanent resident may stay overnight only so long as the Residential Unit Owner or permanent resident is also present on the premises. In addition, unless express written permission is given by the Board, (a) no Residential Unit Owner, nor any tenant of a Residential Unit Owner, shall lease or sublet Residential Unit premises, or any part thereof, by offering the premises for short stays to members of the general public, through print or online advertising, private solicitation, or participation in any rental service promoted to the general public as a substitute for hotel lodging, and (b) neither the Residential Unit Owner nor any permanent resident of the Residential Unit shall advertise the Residential Unit in any publication, medium, or format whatsoever (including, but not limited to advertisements placed via the internet) as being available for occupancy

by any person other than the Residential Unit Owner or the permanent resident, or any of their family members, agents, servants, employees, licensees or guests;

(l) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium;

(m) all leases and tenants are subject to all municipal requirements applicable to rentals, if any;

(n) all leases of a Residential Unit shall contain the following language: “This agreement and the rights and obligations of the parties hereunder are hereby made expressly subject to the right if any, of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium with respect to the transaction embodied herein pursuant to the terms of the By-Laws of the Condominium, as the same may have been amended;

(o) the lease must contain the Smoking Policy provisions contained in Article VIII, Section 5 of the By-Laws; and

(p) if any Residential Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration of Condominium or By-Laws, or the Declaration of Covenants and Restrictions ad By-Laws of the Association, including any Rules and Regulations, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, in its sole discretion, may add or change any of the criteria in this Section 7 with respect to the requirements of leasing Residential Units.

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, reserves the right to deny a prospective tenant of a Residential Unit’s application if the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, determines that the prospective tenant may constitute a threat to the health, safety and/or protection of the Residential Unit Owners or may result in substantial physical damage to the Common Elements of the Condominium without having to exercise the Board of Managers’ Right of First Refusal. In the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium,, in its sole discretion, determines that the prospective tenant of the Residential Unit does not meet its criteria for tenancy of a Residential Unit as provided herein and in Sections 1 and 7 of Article XI of the By-Laws, the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall issue a denial to the Residential Unit Owner within ten (10) days of

such determination. The Residential Unit Owner shall thereafter have the right to procure a second prospective tenant for the Board of Directors', on behalf of the Board of Managers of the Condominium and the Condominium, Right of First Refusal, review and approval pursuant to all of the terms of Article XI of the By-Laws.

In order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fifteenth of the Declaration of Condominium each Residential Unit Owner shall, upon becoming a Residential Unit Owner, grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium and/or the Declaration of Covenants and Restrictions and the By-Laws of the Association. The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, may file for eviction.

The foregoing restrictions of Sections 1, 2 and 7 of this Article XI shall not apply to Sponsor owned Residential Units, or any mortgagee acquiring title to a Unit in a foreclosure, deed-in-lieu of foreclosure, or otherwise through remedies in the applicable mortgages. The Sponsor, its successors, assignees or designees; any mortgagee acquiring title to a Unit in a foreclosure shall have the right to freely sell their Unit or to freely lease all or any part thereof as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

Section 8. Waiver of Partition Rights.

The Residential Unit Owners waive all of their voting rights concerning partition respecting any Residential Unit acquired by the Board of Managers in accordance with this Article.

Section 9. Gifts, etc.

Any Residential Unit Owner may convey or transfer their Residential Unit by gift during the Residential Unit Owner's lifetime or devise their Residential Unit by will or pass the same by intestacy, without restriction.

Section 10. Tenant Bound by Declaration and By-Laws of Condominium and Declaration of Covenants and Restrictions and By-Laws of Homeowners Association.

By becoming a tenant, each tenant agrees to be bound by the Declaration, the By-Laws, and the other Rules and Regulations of the Condominium, and Declaration of Covenants and Restrictions and By-Laws of the Association, and recognizes and accepts the right and the power of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, to evict the tenant for any violation by the tenant of the Declaration, the By-Laws, and the other Rules and Regulations of the Condominium and Declaration of Covenants and Restrictions and By-Laws of the Association and agrees to be jointly and severally liable with the Residential Unit Owner for any and all fines and costs levied against the tenant for any violation of the provisions of the Rules and Regulations, By-Laws, and/or Declaration of Condominium, and the Declaration of Covenants and Restrictions and By-Laws of the Association.

Section 11. Lenders.

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (e), (f), (g), (h), (i), (j) and (k) of Section 7 of this Article XI shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of this Article XI. In addition, the provisions of Article Thirteenth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of the Residential Unit by the mortgagee.

Section 12. Sponsor.

The foregoing restrictions of Sections 1, 2 and 7 of this Article XI shall not apply to Sponsor owned Residential Units. The Sponsor, its successors, assignees or designees shall have the right to freely sell their Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

Section 13. Section 339-kk of the Real Property Law.

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Residential Unit Owner who rents any Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

ARTICLE XII. ARBITRATION

Section 1. Procedure.

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in Nassau County jurisdiction of the Condominium in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in Nassau County before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement.

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as “New York Simplified Procedure for Court Determination of Disputes.”

Section 3. Binding Effect.

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Costs and Expenses.

The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the

disputants. Each disputant shall also bear the fees and expenses of their counsel and expert witnesses.

All costs and expenses paid or incurred by the Condominium Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE XIII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $50,000 and to the Board of Managers if the award is $50,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) So much of the award as is applicable to the Common Elements, to the Unit Owners pro rata according to the respective Percentage of Common Interest appurtenant to the Unit owned by such Unit Owners.

(b) So much of the award as is applicable to an Individual Unit's Limited Common Element to the Unit Owner having general use of such Individual Residential Unit's Limited Common Element.

In such eminent domain or condemnation proceeding the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall request that the award shall set forth the amount allocated to Common Elements and to each Individual Residential Unit's Limited Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with Article XIII of these By-Laws. Any condemnation or eminent domain award shall require that any proceeds applicable to a Unit be applied first to a first mortgagee of a Unit as its interest may appear.

ARTICLE XIV. SPONSOR RIGHTS

Section 1. Sales/Rentals.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales and rental offices in and about the Condominium, including any Unsold Units located within the Condominium Building or elsewhere throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers or tenants, to utilize the Common Elements, no matter how classified, and without limitation, to do any and all things necessary incident to the sale or rental of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Notwithstanding anything to the contrary contained in the Declaration of Condominium and/or these By-Laws, no Managing Agent, Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Unit or the rental of any Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent, the Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, or any agent, member, or representative thereof, regarding any sale or transfer of a Unit or rental of a Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

Section 2. **Signs/Ingress/Egress.**

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct, sell and lease the Units, or any other property, development or community the Sponsor, its successors, assigns or designees so prescribe. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium no matter how classified.

Section 3. **Additional Rights.**

The Sponsor, its successor, assignees, designees, nominees and agents shall, in addition to the above, have any additional rights afforded to the Sponsor, its successors, assignees, designees, nominees and agents in these By-Laws, Rules and Regulations and the Declaration of Condominium.

Section 4. **Amendment**

This Article XIV may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one (1) or more unsold Units.

ARTICLE XV. MISCELLANEOUS

Section 1. **Insurance.**

Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in a Unit Owner’s Unit which will increase the insurance rates on the Unit or any other Unit or on the Common Elements.

Section 2. **Severability.**

Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. **Notice to Condominium.**

A Unit Owner, who mortgages the Unit Owner's Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or the President of the Board of Managers of the Condominium in the event there is no management agent, of the name and address of the Unit Owner's mortgagee; and the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall maintain such information in a book entitled "Mortgagees of Unit."

Section 4. **Notice of Unpaid Assessments.**

The Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, shall, at the request of a mortgagee of a Unit, report any unpaid Common Charges due from the Unit Owner of such Unit. First Mortgagees are required to receive notice from the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, in connection with any 60-day delinquency in any sums due to the Condominium, in connection with Fannie Mae requirements.

Section 5. **Examination of Books and Records.**

Every Unit Owner or the Unit Owner's representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, at convenient hours on weekdays (except legal holidays) but not more often than once a month. Said hours are to be determined by the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, or Managing Agent.

Section 6. **Costs of Legal Action**

In the event the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, institutes any legal action for the enforcement of any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Board of Managers on behalf of the Condominium, plus interest and costs of suit if the Board of Managers is the prevailing party.

Section 7. **Sponsor Costs**

Notwithstanding anything to the contrary contained in the Declaration of Condominium and/or these Condominium By-Laws, no Managing Agent, Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Unit or the rental of any Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent, the Board of Managers, Board of Directors of the Association on behalf of the Board of Managers of the Condominium and the Condominium, or any agent, member, or representative thereof, regarding any sale or transfer of a Unit or rental of a Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

Section 8. **Reports to Residential Unit Owners**

It is the obligation of the Board of Directors, on behalf of the Board of Managers of the Condominium and the Condominium, to give all Residential Unit Owners annually:

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

(b) prior notice of the Annual Meeting of Unit Owners; and

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

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

Section 9. Construction.

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 10. Compliance with Article 9-B.

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration of Condominium, the provisions of the Statute or of the Declaration of Condominium, whichever the case may be, shall control.

Section 11. Association Obligations

Any rights and obligations contained in the By-Laws of the Condominium that have been delegated to the Board of Directors of the Association shall become the affirmative obligation of the Board of Managers of the Condominium to perform in the event the Board of Directors of the Association fails to meet its obligations or affirmatively relinquishes said rights and obligations.

SCHEDULE J-1

CERTIFICATE OF INCORPORATION

NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CORPORATIONS, STATE RECORDS AND UNIFORM COMMERCIAL CODE
FILING RECEIPT

ENTITY NAME :	THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.
DOCUMENT TYPE :	CERTIFICATE OF INCORPORATION
ENTITY TYPE :	DOMESTIC NOT-FOR-PROFIT CORPORATION
DOS ID :	6710679
FILE DATE :	01/27/2023
FILE NUMBER :	230127002219
TRANSACTION NUMBER :	230301270000231-1646991
EXISTENCE DATE :	01/27/2023
DURATION/DISSOLUTION :	PERPETUAL
COUNTY :	NASSAU



SERVICE OF PROCESS ADDRESS :	THE CORPORATION 300 JERICHO TURNPIKE, SUITE 100 JERICHO, NY, 11753, USA
ELECTRONIC SERVICE OF PROCESS EMAIL ADDRESS :	N/A
FILER :	CERTILMAN BALIN ADLER & HYMAN, LLP FINANCIAL CENTER, 90 MERRICK AVENUE EAST MEADOW, NY, 11554, USA
SERVICE COMPANY :	UNITED CORPORATE SERVICES, INC.
SERVICE COMPANY ACCOUNT :	37
CUSTOMER REFERENCE :	ISLAB22722

You may verfiy this document online at :	*http://ecorp.dos.ny.gov*
AUTHENTICATION NUMBER :	100002876680

TOTAL FEES:	$110.00	TOTAL PAYMENTS RECEIVED:	$110.00
FILING FEE:	$75.00	CASH:	$0.00
CERTIFICATE OF STATUS:	$0.00	CHECK/MONEY ORDER:	$0.00
CERTIFIED COPY:	$10.00	CREDIT CARD:	$0.00
COPY REQUEST:	$0.00	DRAWDOWN ACCOUNT:	$110.00
EXPEDITED HANDLING:	$25.00	REFUND DUE:	$0.00

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy for THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC., File Number 230127002219 has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.

WITNESS my hand and official seal of the Department of State, at the City of Albany, on January 27, 2023.

Brendan C. Hughes
Executive Deputy Secretary of State

Authentication Number: 100002876682 To Verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at http://ecorp.dos.ny.gov

CERTIFICATE OF INCORPORATION

OF

THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

(Under Section 402 of the Not-for-Profit Corporation Law)

RICHARD HERZBACH, being of the age of eighteen years or over, for the purpose of forming a corporation pursuant to Section 402 of the Not-for-Profit Corporation Law of New York, does hereby certify:

FIRST: The name of the corporation is THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC. (the "Corporation").

SECOND: That the Corporation is a corporation as defined in subparagraph (a) (5) of Section 102 of the Not-for-Profit Corporation Law.

THIRD: The purpose or purposes for which the Corporation is formed are as follows:

A. To promote the health, safety and welfare of the residents of a residential community proposed to be developed by ISLA BLU AT LONG BEACH LLC, a Delaware limited liability company, on lands situated in the City of Long Beach, Town of Hempstead, County of Nassau, State of New York; and for this purpose:

(1) To own, acquire, build, operate and maintain land and facilities for recreational and community use, including personal property incidental thereto, hereinafter referred to as the "Common Properties"; and

(2) To enforce any and all declarations, covenants, restrictions and agreements applicable to the residential parcels within the above-described planned residential community and the Common Properties, hereinafter collectively referred to as "the Properties", (the enforcement of which is not specifically and exclusively reserved to other).

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Filing Number: 230127002219 DOS ID: 6710679

B. To make and perform any contracts and do any acts and things, and exercise any powers suitable, convenient, proper or incidental for the accomplishment of any objectives enumerated herein and in the Declaration and By-Laws of the Corporation, Declarations of Condominium for 100 Boardwalk Condominium and 140 Boardwalk Condominium, but not for the pecuniary profit or financial gain of its members, directors or officers except as permitted under Article 5 of the Not-for-Profit Corporation Law.

C. The Corporation, in furtherance of its corporate purposes above set forth, shall have the powers enumerated in Section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation law or any other statute of the State of New York.

FOURTH: The Corporation is not formed to engage in any activity or for any purpose requiring consent or approval of any state official, department, board, agency or other body. No consent or approval is required.

FIFTH: The Corporation shall be a Non-Charitable Corporation as defined under Section 201 of the Not-for-Profit Corporation Law.

SIXTH: This Certificate may be amended pursuant to the provisions of the Not-for-Profit Corporation Law.

SEVENTH: The office of the Corporation will be located in Nassau County, State of New York.

EIGHTH: The Secretary of State is hereby designated as the agent of this corporation upon whom process against this corporation may be served. The post office address to which the Secretary of State shall mail a copy of any process against this corporation served upon him as agent of this corporation is: 300 Jericho Turnpike, Suite 100, Jericho, New York 11753.

Filed with the NYS Department of State on 01/27/2023
Filing Number: 230127002219 DOS ID: 6710679

NINTH: The name and address of the initial Board of Directors are as follows: Jonathan Weiss, David Burman, and Nicholas Cappadora. Mr. Jonathan Weiss has an address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753; Mr. David Burman has an address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753; and Mr. Nicholas Cappadora has an address at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753.

IN WITNESS WHEREOF, I have made and signed this Certificate this 26th day of January, 2023, and to the best of my knowledge I affirm the statements contained herein as true under penalties of perjury.

RICHARD HERZBACH, Incorporator
90 Merrick Avenue
East Meadow, New York 11554

Filed with the NYS Department of State on 01/27/2023
Filing Number: 230127002219 DOS ID: 6710679

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CERTIFICATE OF INCORPORATION

OF

THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

Under and Pursuant to Section 402 of the Not-for-Profit Corporation Law of the State of New York

Certilman Balin Adler & Hyman, LLP
Financial Center
90 Merrick Avenue
East Meadow, NY 11554

Customer Ref. #: ISLAB22722

DRAWDOWN

Filed with the NYS Department of State on 01/27/2023
Filing Number: 230127002219 DOS ID: 6710679

SCHEDULE J-2

DECLARATION OF COVENANTS AND RESTRICTIONS

DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

DECLARANT: ISLA BLU AT LONG BEACH LLC
300 Jericho Turnpike
Jericho, New York 11753

DATE OF RECORDING OF DECLARATION
OF COVENANTS AND RESTRICTIONS:

SECTION:
BLOCK:
LOT:

Record and Return to:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Declarant
Attn: Richard Herzbach, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

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DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

Declaration of Covenants and Restrictions made as of this ____ day of _____ 20__, by Isla Blu at Long Beach LLC, a Delaware limited liability company with offices at 300 Jericho Turnpike, Jericho, New York 11753, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property described in Article II of this Declaration of Covenants and Restrictions which Declarant desires to develop as a residential community of one or more Condominiums or other permitted residential developments or any mixture thereof, with various permanent recreational facilities, common improvements, open spaces and other common facilities for the benefit of said Community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said Community and for the ownership and maintenance of said recreational facilities, common improvements, open spaces and other common facilities; and, to this end, desires to subject the real property described in Article II to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said Community and each Unit Owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said Community to create an agency to which should be delegated and assigned the powers of maintaining and administering the Community property and improvements and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated The Boardwalk Long Beach Homeowners Association, Inc. under the Not-For-Profit Corporation Law of the State of New York for the purpose of exercising the aforesaid functions;

NOW THEREFORE, the Declarant, for itself, its successors and assigns, declares that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

The following words when used in this Declaration of Covenants and Restrictions or any Supplemental Declaration of Covenants and Restrictions shall, unless the context otherwise prohibits, have the meanings set forth below:

1. "Amenity Rooms" – The amenity rooms located in Tower B Condominium for use by the Residential Unit Owners and residents, guests and tenants of 140 Boardwalk Condominium and Residential Unit Owners, residents, guests and tenants of any Subsequent Phase, including Tower A. The amenity rooms shall include a card room, mail room, and dog wash.

2. "Association" – The Boardwalk Long Beach Homeowners Association, Inc., a Not-for-Profit Corporation organized for the maintenance and repair of the Association Common Area Facilities, the General Common Elements, General Residential Units' Limited Common Elements, and any Individual Residential Unit's Limited Common Element that gas been delegated to the Association to repair and maintain in 140 Boardwalk Condominium, the Common Elements of any other Condominium or the common area of any other Permitted Residential Community that may be located in any Subsequent Phase.

3. "Association Common Areas" or "Association Common Properties"- The land and improvements which will be owned by the Association which will consist of the entire Property of the Development, except for the buildings, any land and improvements located within each Condominium or Permitted Residential Property including but not limited to the roads, sidewalks, sewer and water mains and pipes, and Outdoor Amenities.

4. "Association Common Expenses" – The Common Expenses of the Association.

5. "Association Common Interest" – The common interest each Residential Unit has in the Association. The Association Common Interest of a Residential Unit in the Association will automatically be adjusted at such time as a Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens has been recorded in the Nassau County Clerk's Office that has the effect of subjecting both Condominiums to the original Declaration of Covenants and Restrictions and a closing of title to a Residential Unit has occurred in the Condominiums located in both Phases of the Development.

6. "Association Parcel" – The collective parcels of land that are located within the overall Development, to be developed with two (2) towers to be known as Tower A and Tower B, containing for-sale Condominium Units in two (2) Condominiums to be known as 100 Boardwalk Condominium and 140

Boardwalk Condominium, respectively, and the Association Common Areas.

7. “Board of Directors” - The governing body of the Homeowners Association responsible for its affairs.

8. “Board of Managers” - The governing body of each Condominium regime subject to this Declaration of Covenants and Restrictions responsible for the affairs of the subject Condominium.

9. “Breeze Parcel” – The parcel of land that is located east of the overall Development, to be developed with two (2) towers containing rental apartments.

10. “Building” – A structure containing two (2) or more Residential Units.

11. “By-Laws” – The documents governing the operation of each Condominium subject to this Declaration of Covenants and Restrictions and the document governing the operation of the Association respectively.

12. “Cabanas” – The cabanas located within the Outdoor Amenities that are part of the Association, to be licensed pursuant to a License Agreement.

13. “Cabana License Expense” – The proceeds of the initial License Agreement for a Cabana to be paid to Sponsor.

14. “City” – The City of Long Beach.

15. “Common Charges” - Each Unit’s proportionate share of the Common Expenses in accordance with its common interest in each Condominium subject to this Declaration of Covenants and Restrictions.

16. “Common Element” – All portions of any Condominium subject to this Declaration of Covenants and Restrictions other than the Residential Units therein.

17. “Common Interest” - The proportionate, undivided interest each Unit Owner has in the Common Elements of each Condominium regime subject to this Declaration of Covenants and Restrictions.

18. “Common Maintenance Charges” or “Maintenance Charges” - Each Unit Owner’s proportionate share of the expenses of the Association.

19. “Community”, “Development” or “Properties” - As used herein includes 140 Boardwalk Condominium, The Boardwalk Long Beach Homeowners

Association, Inc. and a separate condominium to be located in Tower A. The overall Community is known as The Boardwalk Long Beach.

20. "Condominium" - As used herein shall mean one (1) or more condominium communities that are encumbered by this Declaration of Covenants and Restrictions, or Supplemental Declaration of Covenants and Restrictions and whose Unit Owners shall be Members of The Boardwalk Long Beach Homeowners Association, Inc

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

22. "Declarant", "Developer" or "Sponsor" – Isla Blu at Long Beach LLC, a Delaware limited liability company with offices at 300 Jericho Turnpike, Jericho, New York 11753, and its successors, assigns and/or designees.

23. "Declaration of Condominium" - The instrument by which a property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of the Condominium Act and of the By-Laws.

24. "Declaration of Covenants and Restrictions" – This Declaration of Covenants, Restrictions, Easements, Charges and Liens to be recorded among the land records of the County Clerk of Nassau County, New York which will encumber 140 Boardwalk Condominium and which may be amended to include any of the Subsequent Phases, if not encumbered initially, and as said document may from time to time be further amended.

25. "Deficiency Obligation" – Sponsor's obligation for Maintenance Charges of the Association for Unsold Units based upon the difference between the actual operating costs of the Association, including reserves on completed improvements for which reserves are to be set aside as provided in the then current Association budget, and the Full Maintenance Charges levied on the Residential Unit Owners who have closed title on their Residential Unit.

26. "Director" – One (1) of the individual representatives of the Board of Directors of The Boardwalk Long Beach Homeowners Association.

27. "Full Maintenance Charges" – Maintenance Charges paid by Residential Unit Owners who have closed title to their Residential Unit based upon the Association Common Expenses applicable to fully completed Common Areas of the Association, General Common Elements and General Residential Units' Limited Common Elements for any condominium regime (including 140 Boardwalk Condominium and the Condominium to be located in Tower A, to be known as 100 Boardwalk Condominium) that is

subject to this Declaration of Covenants and Restrictions, and Individual Residential Unit's Limited Common Elements the Association is required to repair and maintain for any condominium regime (including 140 Boardwalk Condominium and the Condominium to be located in Tower A, to be known as 100 Boardwalk Condominium) as provided for in the respective Declaration of Condominium of each condominium regime subject to this Declaration of Covenants and Restrictions, which Residential Units are completed or not, and any applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to this Declaration of Covenants and Restrictions.

28. "Garage" – The two (2) level garage to be utilized for parking.

29. "Garage Area" – The area of the Association property consisting of a Garage for parking.

30. "Institutional Mortgage"- A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by a Sponsor, its successor, designee or assignee to a Purchaser of a Residential Unit or in which the Declarant, its successor, designee or assignee participates with one of the above.

31. "Irrevocably Restricted Common Elements" or "Limited Common Elements" - The portions of the Common Elements that are irrevocably restricted in use to specified Unit Owners.

32. "140 Boardwalk Condominium" – 140 Boardwalk Condominium, which will contain the ninety-seven (97) Residential Units and two (2) Non-Residential Units located in one (1) building and the Common Elements in that Condominium.

33. "Licensor" – The Board of Directors of the Association who have entered into a License Agreement with a Unit Owner in the Condominium for a Parking Space and/or Cabana.

34. "Licensee" – A Unit Owner in the Condominium who has entered into a License Agreement with the Board of Directors of the Association for a Parking Space and/or Cabana.

35. "License Agreement" – The agreement entitling the Licensee the exclusive right to use a Parking Space and/or Cabana during the term of the agreement.

36. "License Fee" – The monthly fee charged for the costs associated with the Parking Spaces and/or Cabanas to be paid by each Unit Owner who has

entered into a License Agreement for a Parking Space and/or Cabana. The License Fee is in addition to the Common Charges and/or Maintenance Charges and any Special Assessments for the Unit.

37. "Manager" – One (1) of the individual representatives of the Board of Directors of Managers of each Condominium subject to this Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions.

"Maximum Deficiency Contribution Obligation" – Sponsor's maximum Deficiency Obligation in an amount no greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to this Declaration of Covenants and Restrictions.

38. "Member" - Each holder of a membership interest in the Association as set forth in this Declaration of Covenants and Restrictions. The Association shall have two (2) classes of membership as follows:

    a. Class A Member – The owner of a Residential Unit subject to the Declaration of Covenants and Restrictions.

    b. Class B Member - The Sponsor for the Unsold Residential Units subject to the Declaration of Covenants and Restrictions.

39. "Officer" – One (1) of the officers of the Association chosen by the Board of Directors as provided for in Article IX of the By-Laws of the Association.

40. "Outdoor Amenities" – The swimming pool with lap lanes, sun shelf, and conversation pool, outdoor spa, cabanas, lounge areas, fitness area, outdoor barbeque stations, outdoor café, beach overlook lounge, outdoor lounge areas with fire pits, synthetic lawn area, pickleball court, dog run, and drop-off area for use by the Residential Unit Owners, residentials tenants, and their guests.

41. "Parking Spaces" – The Parking Spaces, located in the garage that is part of the Association, to be licensed pursuant to a License Agreement.

42. "Parking Space License Expense" – The proceeds of the initial License Agreement for a Parking Space to be paid to Sponsor.

43. "Permitted Residential Community or Communities" – Any community located in Subsequent Phases of the Community that receives municipal approval from the City of Long Beach other than a Condominium development and which is or will be subject to this Declaration of

Covenants and Restrictions, By-Laws and Rules and Regulations of the Association.

44. “Phase 1” - The portion of the Community which will include the ninety-seven (97) Residential Units and two (2) Non-Residential Units located in one (1) building to be known as 140 Boardwalk Condominium.

45. “Rules and Regulations” – The provisions contained in Article XVI of the By-Laws as they may be amended, altered, modified, added to or repealed by the Board of Directors.

46. “Special Assessment” – A Common Expense of the Association that is not included in the monthly Maintenance Charges applicable to a Residential Unit.

47. “Subsequent Phases” - The portion of the Community upon which the Declarant has the right to construct up to an additional ninety-five (95) Residential Units or greater number as may be permitted by the City of Long Beach in one (1) or more separate Condominiums or other legally permitted residential developments. Each Subsequent Phase will be referred to in sequential order (i.e., Phase 2, 3, etc.) and will also include any Homeowners Association Common Area located therein that has not previously been conveyed to the Association.

48. “Supplemental Declaration of Covenants and Restrictions” – The Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens which is to be recorded in the Nassau County Clerk’s Office in order to bring Subsequent Phases within the scheme of this Declaration of Covenants and Restrictions pursuant to Article II, Section 2.

49. “The Property or Properties” – All properties currently or subsequently subject to this Declaration of Covenants and Restrictions and any Supplemental Declaration of Covenants and Restrictions as described in Article II of this Declaration of Covenants and Restrictions, including, without limitation, The Common Area, all Condominiums and Permitted Residential Communities.

50. “Tower A” – The building to be located within the Development in the Subsequent Phase to be called 100 Boardwalk Condominium and to be developed as a condominium consisting of ninety-five (95) dwelling units or any other use permitted by the City of Long Beach, including rentals.

51. “Tower B” – The building to be located within the Development in the initial Phase to be called 140 Boardwalk Condominium and to be developed as a condominium consisting of ninety-seven (97) dwelling units and two (2) non-residential units, or any other use permitted by the City of Long Beach, including rentals.

52. "Unit" or "Residential Unit" – One (1) of the Residential Units in the Condominium other Permitted Residential Community for residential use and subject to this Declaration of Covenants and Restrictions. The Units are categorized as follows:

    a. "Residential Unit" – One (1) of the Units designated as Residential Units for residential use only.

    b. "Non-Residential Unit(s)" – A Unit designated as a Non-Residential Unit to be used for any use permitted by the City of Long Beach pursuant to applicable zoning.

53. "Unit Owner" or "Residential Unit Owner" – A Unit Owner includes all the Residential Unit Owners in any Condominium or Permitted Residential Community subject to this Declaration of Covenants and Restrictions.

54. "Unsold Residential Unit" shall mean and refer to any Residential Units owned by the Declarant and any of its successors, assigns and/or designees until such time as the same have been sold to a third party. It shall not include any Residential Unit which is used for personal purposes of the Declarant, any of its principals or any of its successors, assigns and/or designees.

ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION OF COVENANTS AND RESTRICTIONS

Section 1. Properties.

The real property which is subject to this Declaration of Covenants and Restrictions is all those plots, pieces or parcels of land situate, lying and being in the City of Long Beach, Nassau County and State of New York, being more particularly bounded and described in Exhibit "A" annexed hereto.

Section 2. Additions to The Properties.

The Declarant shall have the right, at its sole option, to annex and bring within the scheme of this Declaration of Covenants and Restrictions all or any portion of the property located in Subsequent Phases in whatever order Declarant desires, in any configuration, in future stages of development so that such property shall become subject to the terms and conditions of this Declaration of Covenants and Restrictions. No more than one hundred and ninety-two (192) Units may be contained within the overall Association unless a larger number of Units is permitted on site pursuant to municipal zoning approvals.

The Declarant shall not be obligated to bring the proposed Subsequent Phases within the scheme of this Declaration of Covenants and Restrictions.

The additions authorized under this subsection shall be made by the Declarant prior to the conveyance of any Unit within each Subsequent Phase, without the consent of the Association or its Members, by the recording in the Nassau County Clerk's Office of a Supplemental Declaration of Covenants and Restrictions with respect to each Subsequent Phase, which Supplemental Declaration of Covenants and Restrictions shall extend the scheme of the covenants, restrictions, easements, charges and liens of this Declaration of Covenants and Restrictions to such Properties.

The Declarant shall be permitted to construct any legally permissible type of residential community, including rentals, model type or model mix it so determines in each Subsequent Phase brought within the scheme of this Declaration of Covenants and Restrictions, subject to local municipal approvals ("Permitted Residential Communities").

Such Supplemental Declaration of Covenants and Restrictions may contain such complimentary additions and modifications of this Declaration of Covenants and Restrictions as may be necessary to reflect the different character, if any, of the added property as are not inconsistent with the scheme of this Declaration of Covenants and Restrictions. In no event, however, shall such Supplemental Declaration of Covenants and Restrictions revoke this Declaration of Covenants and Restrictions without the consent of the then Members subject to this Declaration of Covenants and Restrictions.

Upon the filing of a Supplemental Declaration of Covenants and Restrictions and conveyance of a Unit, the Residential Unit Owner of any such Unit in each Subsequent Phase shall become a Member of the Association and, as further detailed in Article X of this Declaration of Covenants and Restrictions. In addition, at such time as a Supplemental Declaration of Covenants and Restrictions if filed and a Residential Unit in the Subsequent Phase is conveyed, the Association Common Interest of each Residential Unit then subject to this Declaration of Covenants and Restrictions will be automatically, and without any additional action taken or required to be taken on the part of the Declarant, the Board of Directors of the Association, or the Board of Managers of the Condominium in the Subsequent Phase, revised to the Association Common Interest set forth in the schedule of Association Common Interest for all Phases annexed hereto as Schedule C.

In the event Declarant elects not to bring any portion of any Subsequent Phase into the Association, the Declarant, its successors and assigns as well as any future owner of said parcels regardless of whether or not they are a successor, assignee and/or designee of Declarant, may still use the roadways in the Development for ingress and egress to such adjacent parcels and tie into the sewer, drainage, water and utility lines in the Development provided the owners of the adjacent parcel pay their pro rata share for maintenance of the roadways and other facilities being used.

The provisions of this Article II, Section 2 may not be amended without the written consent of Declarant or its successors and assigns.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership.

The Association shall have two (2) classes of membership interest as follows: Class A Membership shall represent the owners of the Residential Units, except the Sponsor, within each Condominium regime subject to the Declaration of Covenants and Restrictions and Class B Membership shall represent the Sponsor as the owner of the Unsold Residential Units. All Owners of a Residential Unit or Unsold Residential Unit on The Properties then subject to the Declaration of Covenants and Restrictions shall be Class A Members of the Association, whether such ownership is joint, in common or tenancy by the entirety.

Section 2. Voting Rights.

Each Member is entitled to one (1) vote regardless of the number of Residential Units or Unsold Residential Units owned by a Member except as provided in Article VIII, Section 2 of the Association By-Laws regarding the election of Directors. When more than one (1) person or entity holds such interest in such membership, the one (1) vote attributable to such Member shall be exercised as such persons mutually determine but not more than one (1) vote may be cast with respect to any such Member. No Member shall split or divide its votes on any motion, resolution or ballot. For the purposes of this section the Declarant shall have one (1) vote for all Unsold Residential Units it retains.

Section 3. Transfer of Membership.

Membership in the Association shall be appurtenant to, and may not be transferred, except in conjunction with the lawful sale or conveyance of a Unit which is subject to this Declaration of Covenants and Restrictions. No Residential Unit Owner shall be permitted to sell or convey the Residential Unit Owner's Residential Unit unless and until the Residential Unit Owner shall have paid in full to the Board of Directors all unpaid Maintenance Charges, Special Assessments and other amounts required by the Board of Directors to be paid and assessed by the Board of Directors against such Residential Unit. Upon such sale or conveyance, the seller of such Residential Unit shall relinquish the Residential Unit Owner's membership interest in the Association and the purchaser of such Residential Unit shall automatically become a Member, subject to this Declaration of Covenants and Restrictions, the By-Laws and the Rules and Regulations.

Notwithstanding anything to the contrary contained in this Declaration of Covenants and Restrictions and/or the By-Laws, no Managing Agent, Board of Directors, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Residential Unit or the rental of any Residential

Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent or the Board of Directors, or any agent, member, or representative thereof, regarding any sale or transfer of a Residential Unit or rental of a Residential Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

All Residential Unit Owners, their tenants, licensees, guests, employees, contractors or other occupants of a Residential Unit shall further be subject to the provisions of any Declaration of Condominium, Condominium By-Laws, and Rules and Regulations of any such Condominium or the declaration of any Permitted Residential Community that is subject to this Declaration of Covenant and Restrictions.

ARTICLE IV. PROPERTY RIGHTS IN THE PROPERTIES

Section 1. Members' Easement of Enjoyment.

Subject to the provisions of Section 4, every Member and its permitted lessees and occupants of Residential Units, and their respective family members, residents, tenants, and guests shall have a right and easement of enjoyment in and to The Properties encumbered by this Declaration of Covenants and Restrictions and such easement shall be appurtenant to and shall pass with the title to every Residential Unit.

Except as may otherwise be provided in this Declaration of Covenants and Restrictions, the By-Laws or the Rules and Regulations promulgated by the Board of Directors, the Board of Directors may not impose any limitations upon the use and enjoyment of the Common Areas by Members and lessees and occupants of Residential Units, and their respective family members. The Board of Directors may establish a limitation on guest privileges by guests of Members or lessees or occupants of Members' Residential Units and the Board of Directors may establish a limitation on the use of the Common Areas for a party, meeting, or other similar event. Except as otherwise specifically provided in this Declaration of Covenants and Restrictions or in the By-Laws, the Board of Directors may not impose any fee for the use and enjoyment of the Common Areas by Members or lessees or occupants of Residential Units and their respective family members, other than Maintenance Charges against a Class A Member's Residential Unit, unless the Common Areas are used for a party, meeting, or other similar event, or in the event the facility of the Common Area is utilized for commercial purposes and there are independent fees charged for goods and commodities in the facility.

Section 2. Title to Common Properties.

The Common Area of the Association shall consist of the land and improvements of the entire Property of the Development, except for the land and improvements located in each Condominium or Permitted Residential Property.

Section 3. Property Values.

In order to preserve and enhance the property values and amenities of the Development and Properties, all Common Area owned and maintained by the Association, all General Common Elements, all General Residential Units' Limited Common Elements, and those Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration within each Condominium subject to this Declaration of Covenants and Restrictions, the common portions of any other Permitted Residential Community subject to this Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions, and all facilities now or hereafter built or installed thereon, shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. The maintenance and repair of all Common Area owned and maintained by the Association, all General Common Elements, all General Residential Units' Limited Common Elements, and those Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration within each Condominium regime subject to this Declaration of Covenants and Restrictions or common portions of any Permitted Residential Community subject to this Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions shall include, but not be limited to, the maintenance, repair of damage and replacement to the following: all Common Area owned and maintained by the Association, all General Common Elements of any condominium subject to this Declaration of Covenants and Restrictions, all General Residential Units' Limited Common Elements of any condominium subject to this Declaration of Covenants and Restrictions, and any Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration located in each Condominium regime as provided for in each Condominiums' Declaration of Condominium or such other Permitted Residential Community, except as may be the responsibility of each individual Residential Unit Owner as detailed in each Condominium's Declaration and By-Laws; all roadways within The Properties; any sidewalks located on The Properties and any subsequent Condominium or other Permitted Residential Community located in Subsequent Phases; guest parking areas; outdoor lighting; any irrigation system, if initially installed by the Declarant; the Outdoor Amenities, Amenity Rooms, any infrastructure of the Community either located in the Condominium's General Common Elements or General Residential Units' Limited Common Elements or the Common Area owned and maintained by the Association, all General Common Elements, and all General Residential Units' Limited Common Elements, and those Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain including, but not limited to, pipes, stormwater drainage lines (including on-site drainage vaults), active sub-slab depressurization systems, wires, cable lines and/or connections, conduits, drainage systems, utility, water, storm system pipes, wires and any other facilities for said systems, sewage collection system, site amenities and all other property that the Association owns and/or may be responsible to repair and maintain. The Association shall also be responsible for all snow removal on The Properties, except for snow

removal from any terraces and/or balconies servicing an individual Residential Unit, which shall be the sole responsibility of each Residential Unit Owner; landscape maintenance throughout The Properties and any refuse removal on The Properties.

This Section shall not be amended, as provided for in Article XI, Section 2, to reduce or eliminate the obligation for maintenance and repair as aforesaid.

Section 4. Additions to Common Properties.

In the event Developer exercises the option set forth in Article II, Section 2 of this Declaration of Covenants and Restrictions to bring Subsequent Phases within the scheme of this Declaration of Covenants and Restrictions, it shall also have the right but not the obligation to construct additional Common Area improvements where it is so desires and to convey such land and facilities to the Association.

Section 5. Extent of Members' Easements.

The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to promulgate Rules and Regulations for the use and enjoyment of The Properties.

(b) The right of the Association, as provided in its By-Laws to suspend the enjoyment rights of any Member for a period during which any Maintenance Charge remains unpaid and for infractions of its published Rules and Regulations. Notwithstanding a Residential Unit Owner shall not be prohibited from ingress and egress over and through The Properties for access to a Residential Unit Owner's Residential Unit.

(c) In addition to the rights and provisions of Article XVI of this Declaration, the right of the Association to dedicate or transfer all or any part of the Common Areas, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by a majority of the Members.

(d) The right of the Declarant and of the Association to grant and reserve easements and rights-of-way, in, through, under, over, upon and across The Properties, for the maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, stormwater drainage lines (including on-site drainage vaults), active sub-slab depressurization systems, cable television, gas and other utilities, and the right of the Declarant to grant and reserve easements and rights-of-way, in, through, under, over, upon and across The Properties for the completion of the

Declarant's work under Article V of this Declaration of Covenants and Restrictions.

(e) The terms of the By-Laws and any Rules and Regulations promulgated by the Board of Directors regarding The Properties; and

(f) The right of the Declarant to use The Properties, including all Outdoor Amenities, Amenity Rooms, or to permit The Properties to be used by Declarant's designee or any prospective purchaser of a Residential Unit or any permitted tenants of Unsold Residential Units, without charge, in accordance with and subject to this Declaration of Covenants and Restrictions, the By-Laws and any Rules and Regulations promulgated by the Board of Directors. In addition, Declarant shall have the right, at any time when there shall be any Unsold Residential Units on The Properties, as well as any Unsold Residential Units, Outdoor Amenities, and Amenity Rooms in any Subsequent Phase, should Subsequent Phases be brought within the scheme of this Declaration of Covenants and Restrictions, to use The Properties, including all Outdoor Amenities and Amenity Rooms, without charge, for exhibitions or other promotional functions with respect to Declarant's sales programs, in accordance with and subject to this Declaration of Covenants and Restrictions, the By-Laws, and the Rules and Regulations. Declarant shall also have an easement over, through or to The Properties as may, at any time, be required without the necessity of the consent of the Board of Directors, or joinder therein, by the Residential Unit Owners or any mortgagee to erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of all Phases of the Development, and any other property, development or community the Declarant, its successors, assignees or designees prescribe for the life of the Association.

(g) The right of the Declarant and all individual members of the Declarant and their guests and invitees to access and utilize the Common Elements, no matter how classified, and all the Amenity Rooms and Outdoor Amenities of the Condominium, which right of access and use shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners, so long as the Association is in existence.

The provisions of Article IV, Section 3 may not be amended without the written consent of the Declarant or its successors, assigns and/or designees.

Section 6. Disrepair of Residential Units.

In the event the Residential Unit Owner of any Residential Unit on The Properties shall fail to maintain, repair and/or replace the Residential Unit and the improvements the Residential Unit Owner is required to maintain, repair and/or replace, including any Individual Residential Unit's Limited Common Element(s), in a manner satisfactory to the Board of Directors of the Association, including but not limited to the situation where such maintenance, repair and replacement functions are not otherwise directed by the provisions of this Declaration of Covenants and Restrictions to be performed by the Association, upon direction of the Board of Directors, it shall have the right, through its agents and employees, to enter upon the Residential Unit and to repair, maintain and restore the Residential Unit and any other improvements erected therein or thereon, including any Individual Residential Unit's Limited Common Element(s), or to take whatever legal action it may deem necessary. The cost of such maintenance, repair and replacement shall be added to and become part of the Maintenance Charges to which such Residential Unit is subject.

ARTICLE V. DEVELOPMENT OF THE BOARDWALK LONG BEACH COMMUNITY

Section 1. Phase 1.

The portion of the Property in which the Declarant intends to build ninety-seven (97) Residential Units and two (2) Non-Residential Units in 140 Boardwalk Condominium and the Common Area located therein. The Non-Residential Unit Owners shall not be Members of the Association and shall not be subject to this Declaration of Covenants and Restrictions.

Section 2. Subsequent Phases.

The portion of the Property in which the Declarant, its successors, assigns and/or designees intends to build up to an additional ninety-five (95) Residential Units or more, if permitted on site pursuant to municipal zoning approvals, in Subsequent Phases and subject to the provisions of Article II, Section 2 of this Declaration of Covenants and Restrictions. The additional Residential Units in each Subsequent Phase will be part of an individual Condominium regime or other Permitted Residential Community. Each Subsequent Phase may also include any additional Association Common Areas that may be located in such Subsequent Phase. Each Subsequent Phase will be referred to in sequential order (i.e., Phase 2, 3, etc.) and maybe developed in whatever order and configuration Declarant desires.

Section 3. The Boardwalk Long Beach Homeowners Association.

Developer intends to develop and convey to the Association the Common Area in each Phase prior to the Closing of Title to the first Residential Unit in each Phase. In the event Developer exercises the option set forth in Article II, Section 2 of this Declaration

of Covenants and Restrictions to bring Subsequent Phases within the scheme of this Declaration of Covenants and Restrictions for future development, Developer will convey to the Association the additional Common Area for the use of the Members and the benefit of the Properties.

ARTICLE VI. EASEMENTS.

Section 1. General Easements.

The following easements, licenses, rights, privileges, and obligations shall be created for the benefit of the Declarant, the Association, and all Residential Unit Owners of Residential Units subject to this Declaration of Covenants and Restrictions and their permitted tenants, occupants, residents, family members, guests, and employees in addition to the easements provided in Article IV of this Declaration of Covenants and Restrictions:

(a) Right-of-way for ingress and egress by vehicles or on foot, in, through, over, under, upon and across the streets, roads, and all walks in The Properties for all purposes.

(b) Rights to connect with, maintain and make use of utility lines, wires, pipes, conduits, cable television lines, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of The Properties.

(c) The right of the Board of Directors to promulgate Rules and Regulations for the use and enjoyment and operation and management of The Properties and Development as provided in the By-Laws of the Association, including but not limited to the Outdoor Amenities and Amenity Rooms.

(d) The right of the Board of Directors, as provided in its By-Laws to suspend the enjoyment rights of any Member for a period during which any Maintenance Charge or Special Assessment remains unpaid. Notwithstanding this provision, the Board of Directors shall not be permitted to prohibit ingress and egress in, over and through The Property to prohibit access to a Residential Unit by a Residential Unit Owner and the Member's permitted occupants, permitted tenants, guests and/or any person needing access to a Residential Unit located thereon.

(e) The obligation of every Member to abide by the terms of the By-Laws and the Rules and Regulations promulgated by the Board of Directors regarding The Properties.

(f) The right of the respective utility company to enter upon and through The Property for the purpose of installation, maintenance and inspection of lines and appurtenances for water, sewer, drainage, cable television, electric, gas and any other utilities;

(g) The right of the Association and any utility company to enter upon and through The Property for the purpose of reading any electric, gas, water or other utility meter.

(h) The right of the Declarant and the Board of Directors of the Association to grant such additional electric, gas, water or other utility easements or to relocate any existing utility easement in any portion of the Development as the Board of Directors of the Association shall deem necessary or desirable for the proper operation and maintenance of the Association, or any portion thereof. Any utility company and its employees and agents shall have the right of access to any Residential Unit located thereon and/or The Properties in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Residential Unit located thereon for its permitted purposes by its owner, tenants or occupants.

(i) The Board of Directors, Managing Agent, if any, or employee of the Association and any other person authorized by any of the foregoing, shall have, and The Properties shall be subject to, an easement in, to and through The Properties or any portion thereof in favor of the foregoing persons, (i) to operate, maintain, repair, alter, rebuild, restore and replace any of the Common Areas of the Association, the General Common Elements, General Residential Units' Limited Common Elements of any condominium subject to this Declaration of Covenants and Restrictions, and any Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration of each Condominium regime subject to this Declaration of Covenants and Restrictions or the common areas of any Permitted Residential Community that will be subject to and encumbered by this Declaration of Covenants and Restrictions, including, without limitation, the maintenance of any sign identifying the Association located at the entrance thereto and any advertising and/or directional signs and (ii) to perform any of their respective duties in accordance with this Declaration of Covenants and Restrictions and/or the By-Laws of the Association.

(j) Each Residential Unit Owner hereby grants a right of access to the Declarant to the Residential Unit Owner's Residential Unit or their designee, assignee and/or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration,

renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to The Properties and/or any Residential Units.

(k) Right-of-way of the Non-Residential Unit Owner(s) and their tenants, by vehicles or on foot, in, through, over, under, upon and across The Properties for purposes of ingress and egress, access, and use of a Non-Residential Unit.

(l) Any easements granted to Declarant, the Board of Directors of the Association, any Residential Unit Owner or any other entity, company, utility or person under this Declaration of Covenants and Restrictions and the By-Laws may be exercised by such Declarant's, Board of Directors of the Association, Residential Unit Owner's, entity's, company's, utility's or person's; employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, permitted tenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Declarant, Residential Unit Owner or the Board of Directors of the Association.

(l) All easements shown on the site plan for the overall Development.

(m) Any declarations, covenants, restrictions, easements and/or rights of way recorded or to be recorded in the land records applicable to this Development.

(n) All Easements, Covenants and Restrictions, By-Laws, and Rules and Regulations contained in the Declaration of Condominium of 140 Boardwalk Condominium and any Declaration of Condominium or governing documents on any condominium or Permitted Residential Community located in a Subsequent Phase.

Section 2. Reservation of Easements.

Declarant reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under, upon and across The Properties, for the purpose of completing all construction and other work required for the development of 140 Boardwalk Condominium and any Subsequent Phase as provided for under Article V of this Declaration of Covenants and Restrictions, the construction and completion of the Outdoor Amenities, Amenity Rooms, and all other improvements required for the construction and completion of such development and the construction and development of all Subsequent Phases of the Development, if brought within the scheme of this Declaration of Covenants and Restrictions and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over, upon and across The Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, pipes,

stormwater drainage lines (including on-site drainage vaults), active sub-slab depressurization systems, cable television, gas, electric and other utilities and for any other materials or services necessary for the construction and completion of the work. Declarant also reserves the right to connect with, maintain and make use of the utility lines, pipes, stormwater drainage lines (including on-site drainage vaults), active sub-slab depressurization systems, wires, conduits, cable television lines, sewers and drainage lines which may from time-to-time be in or along the streets and roads or other areas of The Properties. Declarant shall also have a right of ingress and egress to each Residential Unit on The Properties for the purpose of connecting any and all lines, pipes or any other materials or services necessary for any utilities to each Residential Unit. In addition, Declarant, and any Selling Agent retained by Declarant, reserves the right to continue to use The Properties, Outdoor Amenities, Amenity Rooms, sales offices, any maintenance building, model Units, Unsold Residential Units, signs, parking spaces or any other facility located on The Properties in its efforts to market for sale or lease all Residential and/or Non-Residential Units constructed on The Properties for so long as there are any Unsold Residential Units remaining in Phase I and all Subsequent Phases of the Development. Declarant further reserves the right to use any facility located on The Properties as its sales office or business office so long as there are any Unsold Residential Units remaining in Phase I and all Subsequent Phases of the Development. Declarant further reserves the right to maintain upon The Properties such facilities as may be required, convenient or incidental for the construction and completion of its work under Article V of this Declaration of Covenants and Restrictions, including, without limitation, a business office, storage area, construction trailers, construction equipment and supplies, for so long as there are any Unsold Residential Units remaining in Phase I and all Subsequent Phases of the Development. Declarant further reserves the right, together with all individual members of the Declarant and their guests and invitees, to access and utilize the Common Elements of any Condominium subject to the Declaration of Covenants and Restrictions, no matter how classified, and all the Amenity Rooms and Outdoor Amenities and the Common Area of the Association and each Condominium subject to the Declaration of Covenants and Restrictions, which right of access and use shall continue subsequent to the Sponsor Control Period and all the Residential Units having been conveyed to Residential Unit Owners, so long as the Association is in existence. This Paragraph may not be amended without the written consent of Declarant.

Section 3. Easement for Emergency Access.

The Property shall be subject to an easement of ingress and egress over The Properties for the benefit of all emergency vehicles and personnel including but not limited to police, fire, and medical vehicles and personnel.

Section 4. Rights of Access in Favor of the Association.

Each Residential Unit Owner shall afford to the Association, any Managing Agent and/or any other person authorized by any of the foregoing a right of access to the Residential Unit Owner's Residential Unit on reasonable notice at reasonable hours, on

any day except Sundays and holidays (except that in an emergency situation the Association may access a Residential Unit on any day or holiday and such notice need not be given) for the purposes of: (a) making inspections of, or removing violations noted or issued by any governmental authority against any Residential Unit; (b) curing defaults hereunder, or violations of any Rules and Regulations promulgated by the Board of Directors and committed by such Residential Unit Owner; (c) correcting any conditions originating in or on the Residential Unit Owner's Residential Unit and threatening the safety or condition of another Residential Unit or all or any portion of the Property or the health and safety of the residents of the Community; (d) installing, operating, maintaining, repairing, altering, rebuilding, restoring and/or replacing any personal property and fixtures located in, over, under, through adjacent to, or upon the Residential Unit Owner's Residential Unit or elsewhere on The Properties and existing for the common use of two or more Residential Units, of two (2) or more Residential Unit Owners and/or of one or more Residential Unit Owners and the Association including without limitation all systems, apparatus, mechanisms, devices, machinery, motors, pumps, controls, tanks, tank assemblies, installations, shut off valves, other valves, panels, relays, electric distribution facilities, wiring, wireways, switches, circuit breakers, transformers, fittings, lighting fixtures, other fixtures, bulbs, signs, meters, meter assemblies, pipelines, conduits, cables, shafts, pits, traps, fences, storm drains, drains, stormwater drainage lines (including any on-site drainage vaults), active sub-slab depressurization systems, wires, cable lines or connections, catch basins and fitters; (e) for the purposes of performing any work required under this Declaration of Covenants and Restrictions or the By-Laws of the Association; and (f) for the purposes of performing any work required under each Declaration of Condominium or the By-Laws of each Condominium regime or other Permitted Residential Community that is or will be located in any Phase of the Property, subject to this Declaration of Covenants and Restrictions.

This Declaration of Covenants and Restrictions is further subject to an easement agreement, recorded or to be recorded in the Nassau County Clerk's Office, between the abutting rental property which easement agreement grants the Association access for ingress and egress over the shared entrance roadway situated between the rental property and the Association property.

Section 5. Encroachments on Common Area.

Declarant has the right to construct any portion of any roadway, walkway, parking area, driveway, balcony, terrace, water lines, sewer lines, drainage lines, water, electric, gas and any other utility meters, utility lines, sprinkler system, fences, light standards, stairways, guardrails, building or any other structure so that they encroach on the Common Areas of the Association. In the event that any portion of any roadway, walkway, parking area, driveway, balcony, terrace, water lines, sewer lines, drainage lines, water, electric, gas and any other utility meters, utility lines, sprinkler system, fences, light standards, stairways, guardrails, building, any other structure or any facility required to comply with municipal requirements as originally constructed by Developer encroaches on the Common Area, it shall be deemed that the Association has granted

a perpetual easement to the Residential Unit Owner or the Association, as the case may be, for continuing maintenance and use of such encroaching roadway, walkway, driveway, balcony, terrace, parking area, water line, sewer lines, drainage lines, water, electric, gas and any other utility meters, utility lines, sprinkler system, stairways, guardrails, building, structure or any facility required to comply with municipal requirements. The foregoing shall also apply to any replacements of any such roadway, walkway, driveway, balcony, terrace, parking area, water lines, water, electric, gas and any other utility meters, sewer lines, drainage lines, utility lines, sprinkler system, stairways, guardrails, building, structure, or any facility required to comply with municipal requirements if same are constructed in substantial conformance to the original. The encroachment for sewer lines, water lines and utility lines shall also apply to sewer, water and utility lines which may run under the Residential Unit or building or on a roof of a Building and utility lines which run through any Building. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

There shall be a perpetual and unobstructed, non-exclusive, non-vehicular easement over and across the stairs and ramps located on the southern portion of the Property, which portion of the Property is adjacent to the City of Long Beach Boardwalk, for the purpose of perpetual and unobstructed public pedestrian and non-motorized bicycle use throughout the easement area for access to the Non-Residential Units in the Condominium. The maintenance of the improvements in the easements shall be the responsibility of the Board of Directors of the Association and the Board of Managers of the Condominium, should the Board of Directors fail to meet or relinquish its obligations. The maintenance obligation herein shall also include repair and replacement of the improvements and amenities within the easement area, including landscaping. Notwithstanding the grant of the aforesaid easement, there shall be no public access to the Outdoor Amenities or any other portion of the Condominium or Association Property except as expressly described in the Declaration of Condominium or this Declaration of Covenants and Restrictions.

Section 6. Future Easements.

Declarant shall retain the right, so long as there are any Unsold Residential Units on The Properties, to place any easements in, to or under The Properties which Declarant shall deem necessary for the health, safety and benefit of the Association and its Members.

ARTICLE VII. DRAINAGE EASEMENT AND MAINTENANCE AGREEMENT

The Association shall be subject to a perpetual Drainage Easement and Maintenance Agreement between the Declarant and the owner of the Breeze Parcel adjacent to the Development which Drainage Easement and Maintenance Agreement provides for a drainage connection easement in favor of the owner of the Breeze Parcel over the Development and reciprocal easement over the Breeze Parcel in favor of the

owner of the Development for purposes of connection to and maintenance of drainage systems in accordance with the Drainage Plans for the Association Parcel and Breeze Parcel. The Association, on behalf of any Condominiums or other Permitted Residential Communities subject to this Declaration, shall be responsible for the of installation, maintenance, and repair of the portion(s) of the drainage system(s) within the Development and the costs associated therewith. Any such expenses shall be paid by the Association and shall be included in the individual Residential Unit Owners' respective Association Assessments payable to the Association as set forth in this Declaration of Covenants and Restrictions.

ARTICLE VIII. ACCESS EASEMENT AND MAINTENANCE AGREEMENT

The Association shall be subject to a perpetual Access Easement and Maintenance Agreement between the Declarant and the owner of the Breeze Parcel adjacent to the Development which Access Easement and Maintenance Agreement provides for an easement in favor of the Declarant, its successors and assigns, individual unit owners, residents, and each of their respective agents, employees, guests, invitees, and licensees, as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across, the common roadway located between the Development and the Breeze Parcel, which common roadway provides access for ingress and egress to the Garage Area located underneath the Development. Pursuant to such Agreement, on behalf of any Condominiums or other Permitted Residential Communities subject to this Declaration, the Association shall be responsible for an equal (50/50) share of the costs of maintenance and repair of the common roadway with the owner of the Breeze Parcel. Any such expenses shall be paid by the Association and shall be included in the individual Residential Unit Owners' respective Association Assessments payable to the Association as set forth in this Declaration of Covenants and Restrictions.

ARTICLE IX. MAINTENANCE AND OTHER OBLIGATIONS

The Association shall be responsible for maintenance, repair and replacement of all Common Areas of the Association, the General Common Elements, and General Residential Units' Limited Common Elements of any condominium regime subject to this Declaration of Covenants and Restrictions, and any Individual Residential Unit's Limited Common Elements the Association is responsible to repair and maintain as provided for in each Condominium Declaration of each Condominium regime or common areas of any legally Permitted Residential Community that will be subject to and encumbered by this Declaration of Covenants and Restrictions, including but not limited to the following:

(1) Maintenance, repair and replacement to the exterior facades and roofs of the Buildings containing each condominium or Permitted Residential Community subject to this Declaration of Covenants and Restrictions containing the Residential Units;

(2) Snow removal for the entire Property except for snow removal from any terraces and/or balconies, as applicable which shall be an individual responsibility of each Residential Unit Owner, except that as set forth in the Access Easement and Maintenance Agreement, the Association shall only be responsible for fifty (50%) percent of the snow removal of the entrance ramp and walks from Broadway located on the adjacent property that provides ingress and egress to the Development and to the Breeze Parcel;

(3) Landscape maintenance for the entire Property;

(4) Repair, maintenance, and replacement (if necessary) of all roads, sidewalks, and curbings located within The Properties;

(5) Repair, maintenance, and replacement (if necessary) of the Garage, Garage Area, and any other parking spaces;

(6) Structural repair, maintenance, and replacement (if necessary) of the Cabanas;

(7) Repair, maintenance, and replacement (if necessary) of any irrigation system located within The Properties, if necessary;

(8) Repair, maintenance, and replacement (if necessary) of any site drainage, storm water collection and water distribution systems, if not maintained by the utility company or the City of Long Beach;

(9) Repair, maintenance, and replacement (if necessary) of all refuse enclosures and dumpsters;

(10) Repair, maintenance, and replacement (if necessary) of the Outdoor Amenities and Amenity Rooms;

(11) Repair, maintenance and replacement of any sewer pump station, all lateral sewers (which shall be defined as "those building connections that connect from a building to the main sewer line") unless dedicated to and/or maintained by the City of Long Beach or other municipality or agency; and

(12) All private internal roadway maintenance, ice/snow removal from private internal roadways, private sidewalks, on-site fire hydrants, dumpster enclosures, handicap ramps, and/or standpipe locations.

ARTICLE X. COVENANT FOR MAINTENANCE CHARGES

Section 1. Creation of the Lien and Personal Obligation.

The Declarant, as the Class B Member, for each Unsold Residential Unit then subject to this Declaration of Covenants and Restrictions owned by the Declarant within The Properties, hereby covenants and each Residential Unit Owner of any Residential Unit, as a Class A Member, by acceptance of a deed or ownership of a Residential Unit therefore, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association such Maintenance Charges and Special Assessments as are fixed by the Association's Board of Directors and assessed to the Residential Unit Owners as hereinafter provided. All Maintenance Charges and/or Special Assessments assessed by the Association but unpaid, together with such interest thereon and the cost of collection thereof as is hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property owned by such Residential Unit Owner against which each such Maintenance Charge and/or Special Assessment is made. All Maintenance Charges and/or Special Assessments, together with interest thereon and cost of collection thereof, as hereinafter provided shall be a personal obligation of the person who was the Residential Unit Owner of such Residential Unit at the time when the Maintenance Charges and/or Special Assessments fell due.

Section 2. Purpose of the Assessment.

The Maintenance Charges and/or Special Assessments levied by the Association shall be used for Association Common Expenses and exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents, tenants, and guests in The Properties as a Development and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of The Properties and of the Residential Units situated upon The Properties, including, without limiting the foregoing, insurance for the Association and the maintenance and other obligations provided for in Article VI of this Declaration of Covenants and Restrictions.

Notwithstanding, each Residential Unit Owner who has entered into a License Agreement for a Cabana will be required to pay a monthly License Fee to the Association to cover the costs associated with the Cabanas as determined by the Board of Directors of the Association. The Board of Directors shall have the right to increase or decrease said amounts as required by the costs of said services and shall further have the right to implement monthly License Fees for the Parking Spaces in the future. Said License Fees associated with the Cabana and/or Parking Space, if the Board of Directors should determine to charge monthly Parking Space License Fees, shall be in addition to the Common Charges, Maintenance Charges, and any Special Assessments charged to any Unit Owner. The monthly License Fees for the Cabanas and/or Parking Spaces, if the Board of Directors shall determine to charge monthly Parking Space License Fees, shall be determined based upon an equal pro-rata share of the costs

attributable to the Cabanas and/or Parking Spaces, the numerator of which shall be one (1) and the denominator of which shall be equal to the total number of Cabanas and/or Parking Spaces, as applicable. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors shall have the same rights of collection and enforcement of the License Fees as they have for Common Charges, Maintenance Charges, and Special Assessments.

Section 3. Association Common Maintenance Expenses.

The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association ("Association Common Expenses") and shall send a copy of the budget and any supplement to the budget to each Residential Unit Owner. The Board of Directors shall determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance, and other operating expenses, as well as charges to cover any deficits from prior years and capital improvements approved by the Board of Directors ("Common Expenses"). Any dispute as to what is included in the Common Expenses and amount payable by the Members shall be decided by arbitration pursuant to the provisions of Article XVII of the Association By-Laws. Subject to the above, the total annual requirements and any supplemental requirements shall be allocated between, assessed to and paid by the Members as follows:

(a) At such time as Phase I is the only Phase within the Development subject to this Declaration of Covenants and Restrictions, each Member who has Closed Title on a Residential Unit in Phase I shall pay a portion of said requirements ("Maintenance Charges"), based upon said Residential Unit's Association Common Interest as set forth in Schedule B.

(b) At such time as a Supplemental Declaration of Covenants and Restrictions if filed and a Residential Unit in the Subsequent Phase is conveyed, the Association Common Interest of each Residential Unit then subject to this Declaration of Covenants and Restrictions will be automatically, and without any additional action taken or required to be taken on the part of the Declarant, the Board of Directors of the Association, or the Board of Managers of the Condominium in the Subsequent Phase, revised to the Association Common Interest set forth in the schedule of Association Common Interest for all Phases annexed hereto as Schedule C.

(c) The Declarant's obligation for the Maintenance Charges on Unsold Residential Units subject to this Declaration of Covenants and Restrictions will be limited to the difference between the actual operating costs of the Association, including reserves on completed

improvements for which reserves are to be set aside as provided in the then current Association budget, and the Maintenance Charges levied on the Residential Unit Owners who have Closed Title on their Residential Units as described in Section 3 (c) of Article X of this Declaration of Covenants and Restrictions. The Declarant's obligation shall be referred to as the Declarant's Deficiency Contribution.

(d) The Maintenance Charges paid by the Residential Unit Owners who have Closed Title on their Residential Units are to be based upon the Association Common Expenses and then current Association budget applicable to fully occupied Residential Units and fully completed Common Areas of the Association, General Common Elements and General Residential Units' Limited Common Elements, and Individual Residential Unit's Limited Common Elements the Association is required to repair and maintain, in all Condominiums subject to this Declaration of Covenants and Restrictions or Supplemental Declaration of Covenants and Restrictions, common areas of any Permitted Residential Community, completed or not, and any other Association Common Expenses required by the Association, applicable to Residential Units and Unsold Residential Units, built or unbuilt, then subject to this Declaration of Covenants and Restrictions ("Full Maintenance Charges").

(e) Declarant will not be required to make a Deficiency Contribution in an amount greater than it would otherwise be liable for if it were paying Full Maintenance Charges on Unsold Residential Units for the Unsold Residential Units, built or unbuilt, then subject to this Declaration of Covenants and Restrictions ("Maximum Deficiency Contribution Obligation").

(f) In the event the Association Common Expenses exceed the amount contributed by the Residential Unit Owners who have Closed Title plus the Maximum Deficiency Contribution Obligation of the Declarant for any fiscal year budget, the additional Maintenance Charges are to be pro-rated among the Residential Unit Owners who have Closed Title and the Unsold Residential Units still owned by the Declarant based upon each Residential Unit's respective Association Common Interest.

(g) The amount of any required Deficiency Contribution on the part of the Declarant shall not include uncollected Maintenance Charges from Residential Unit Owners who have Closed Title.

(h) Excess funds of the Association carried forth from prior fiscal years shall be applied first to the Declarant's Deficiency Obligation.

(i) The sum due the Association from each individual Class A Member of a Residential Unit shall constitute a Maintenance Charge of the Association and unpaid Maintenance Charges shall constitute liens on the individual Residential Units and the personal obligation of the Class A Member Residential Unit Owner, subject to foreclosure as hereinafter provided.

(j) In the event the monthly Maintenance Charges are not sufficient to cover the Association Common Expenses for any fiscal year budget, the Board of Directors will have the right to increase the Maintenance Charges or assess a Special Assessment. In such an event the excess shall then be paid on a pro-rata basis per Residential Unit subject to this Declaration of Covenants and Restrictions, and by the Declarant for the unsold Residential Units and the Residential Unit Owners who have Closed Title based upon each Residential Unit's then respective Association Common Interest. This provision is subject to the rights of the Declarant/Developer contained in Article VIII, Section 6(c) of the By-Laws of the Association.

(k) Declarant will not be obligated to pay any Maintenance Charges on Subsequent Phases that are not subject to this Declaration of Covenants and Restrictions or, if subject to this Declaration of Covenants and Restrictions, have not closed title to any Residential Unit located in such Subsequent Phase.

All Maintenance Charges shall be payable monthly in advance or in such other manner as may be determined by the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the Maintenance Charges against each Residential Unit and shall prepare a roster of the Residential Units and Maintenance Charges applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Residential Unit Owner as provided in the By-Laws of the Association. Upon the written request of a Residential Unit Owner or a Mortgagee, the Board of Directors shall promptly furnish such Residential Unit Owner or the Residential Unit Owner's Mortgagee with a written statement of the unpaid Maintenance Charges and/or Special Assessments due from such Residential Unit Owner.

Section 4. Effect of Non-Payment of Assessment, The Personal Obligation of the Residential Unit Owner; The Lien, Remedies of the Association.

If the Maintenance Charges or any Special Assessments assessed against a Residential Unit Owner who is a Member of the Association and has closed title to or

owns their Residential Unit are not paid on the date when due, as fixed by the Board of Directors, then such Maintenance Charges and/or Special Assessments shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Residential Unit Owner's Residential Unit which shall bind such property in the hands of the Residential Unit Owner, the Residential Unit Owner's heirs, devisees, personal representatives and assigns. Such lien shall be prior to all other liens except: (a) tax or assessment liens on the Residential Unit by the taxing subdivision of any governmental authority, including but not limited to State, County, Town, City, Village and School District taxing agencies; (b) all sums unpaid on any first mortgage of record encumbering the Residential Unit; and (c) all unpaid Common Charges of any Condominium regime subject to this Declaration of Covenants and Restrictions. The personal obligation of the Residential Unit Owner who was the Residential Unit Owner of the Residential Unit when the Maintenance Charge fell due to pay such Maintenance Charge, however, shall remain the Residential Unit Owner's personal obligation for the statutory period and shall not pass to the Residential Unit Owner's successors in title unless expressly assumed by them.

In the event any Residential Unit Owner who is a Member of the Association and has closed title to their Residential Unit fails to make payment of the Maintenance Charge or any Special Assessment assessed against their Residential Unit when due, the Residential Unit Owner who owns such Residential Unit shall be obligated to pay (a) a "late charge" of $.25 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Directors or by any Managing Agent in connection with the Board of Director's attempt to collect such unpaid Maintenance Charge or any Special Assessment including but not limited to an action to foreclose the lien on such Residential Unit Owner's Residential Unit arising from said unpaid Maintenance Charge or any Special Assessment in the manner permitted by applicable law and any and all costs associated with the filing of a lien against the Residential Unit.

In addition, in the event of a default in payment of Maintenance Charges by any Residential Unit Owner, the Board of Directors, at its sole option, may declare the Maintenance Charge assessment on said Residential Unit Owner's Residential Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Directors shall send notice to the delinquent Residential Unit Owner and the Residential Unit Owner's mortgagee, if any, giving the Residential Unit Owner a five (5) day grace period in which to make the late payment.

In addition to the Board of Directors of Director's right to bring an action to foreclose a lien on a Residential Unit Owner's Residential Unit, the Board of Directors (on behalf of the Residential Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Maintenance Charges or any Special Assessment at the option of the Board of Directors, without foreclosing or waiving the lien securing such charges.

All such “late charges”, interest and expenses shall be added to and shall constitute additional Maintenance Charges or additional Special Assessments payable by such Residential Unit Owner.

If a Residential Unit Owner shall be in default in the payment of the Maintenance Charges and/or Special Assessments assessed against such Residential Unit Owner’s Residential Unit, and fails to cure such default within fifteen (15) days after receipt of written notice from the Board of Directors, the Board of Directors, in its sole discretion, shall have the option to prohibit all privileges of the Association by such Residential Unit Owner and any occupant, tenant, and the respective family Members, guests and invitees of the foregoing, and until such Residential Unit Owner is reinstated in good standing in the Association, to take such other legal action as may be permitted by applicable law, this Declaration of Covenants and Restrictions, the Rules and Regulations and the By-Laws of the Association. Any Residential Unit Owner so in default shall also lose all voting privileges, be ineligible to be considered for membership to the Board of Directors and, if on the Board of Directors, shall be suspended thereto until such time as all Maintenance Charges and/or Special Assessments together with late charges, interest and expenses, if any, are paid to the Association. Notwithstanding, the Board of Directors shall not be permitted to prohibit ingress and egress to the Residential Unit Owner’s Residential Unit through The Properties.

Notwithstanding any other provision in this Declaration of Covenants and Restrictions or the By-Laws any mortgagee of an Institutional Mortgage who obtains title to a Residential Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Residential Unit’s unpaid Maintenance Charges and/or Special Assessments accrued before acquisition of the title to the Residential Unit by the mortgagee. If the Association’s lien priority includes costs of collecting unpaid Maintenance Charges and/or Special Assessments, the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Maintenance Charges and/or Special Assessments. The unpaid balance of such Maintenance Charges and/or Special Assessments that may be waived will be charged to all other Residential Unit Owners as an Association Common Expense. Upon acquiring title to a Residential Unit such holder of an Institutional Mortgage; its successors and assigns shall be liable for all Maintenance Charges and Special Assessments due and payable thereafter.

In the event of a foreclosure sale of a Residential Unit by a mortgagee or by the Board of Directors of its lien on any Residential Unit for unpaid Maintenance Charges or any Special Assessment, if the net proceeds of the foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred therewith) shall be insufficient for the payment of such unpaid Maintenance Charges or any Special Assessment, or if a Residential Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Residential Unit prior to foreclosure sale

shall remain liable for the payment of all unpaid Maintenance Charges or any Special Assessment which accrued prior to such sale.

ARTICLE XI. INSURANCE

Section 1. Association.

(a) The Board of Directors of the Association shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board of Directors of the Association to be appropriate, the following insurance: (i) workers' compensation and New York State disability benefits insurance for any employees; (ii) fidelity insurance covering all Officers, Directors of the Board of Directors and employees of the Association and of the managing agent or agents who handle funds of the Association; (iii) directors' and officers' errors and omissions insurance; and (iv) such other insurance as the Board of Directors of the Association may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Maintenance Expense and shall be borne by the Members as part of their Maintenance Charges.

(b) The Board of Directors of the Association shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Common Areas and in such limits as the Board of Directors of the Association may from time to time determine, covering (i) the Board of Directors of the Association, any managing agent appointed by the Board of Directors of the Association, each Director on the Board of Directors of the Association, each Officer of the Association and each Association Member and any occupant and family member. The Board of Directors of the Association shall also be required to obtain and maintain, on behalf of the Board of Directors of the Association, fidelity insurance covering the Board of Directors, the managing agent, if any, each Director on the Board of Directors of the Association, each Officer of the Association, and each employee of the Association employed as such.

(c) The Board of Directors shall also be required to obtain blanket property insurance for any structures or buildings owned by the Association as part of the Common Area in an amount equal to the full replacement value of the structures and buildings, exclusive of land, foundation, excavation, and other items normally excluded from coverage. Any fire insurance will commence upon the completion of the structure or building owned by the Association.

(d) The Board of Directors shall not be prohibited from carrying additional insurance, including insurance required to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies.

(e) Members shall not be prohibited from carrying other insurance for their own benefit at their own expense.

Section 2. Condominium Insurance.

In the event the Board of Managers of all of the Condominiums that may be subject to this Declaration of Covenants and Restrictions request that the cost of at least the minimum insurance required by their respective Condominium's Declaration of Covenants and Restrictions be transferred to become part of the Association's budget and part of the Maintenance Charges paid by the Members of the Association, the Board of Directors of the Association shall be required to do so.

Section 3. Individual Residential Unit Owner Insurance.

Each Residential Unit Owner shall be required to obtain such insurance as is required in each Declaration of Condominium or By-Laws for each Condominium regime or declaration of each Permitted Residential Community subject to this Declaration of Covenants and Restrictions.

ARTICLE XII. USE OF PROPERTY

The use of a Residential Unit by a Member or other occupant shall be subject to the provisions of this Declaration of Covenants and Restrictions, the By-Laws and the Rules and Regulations of the Association contained as Exhibit C of this Declaration of Covenants and Restrictions as they may be added to or promulgated by the Board of Directors and any rules, regulations and provisions in the Declaration of Condominium and By-Laws for any Condominium regime or declaration, by-laws or rules and regulations of any Permitted Residential Community subject to this Declaration of Covenants and Restrictions.

In the event it becomes necessary for Declarant or the Board of Directors of the Association to enforce any provisions of this Declaration of Covenants and Restrictions, the By-Laws and/or Rules or Regulations against a Residential Unit Owner, the Residential Unit Owner's tenants, guests or occupants, such Residential Unit Owner, permitted tenants, guest, or occupant will be required to reimburse the Declarant or the Board of Directors of the Association for any costs incurred in connection herewith,

including reasonable attorneys fees, interest and costs of suit. The Residential Unit Owner shall at all times be and remain responsible for the Residential Unit Owners' tenants, guests or occupant's actions or omissions.

ARTICLE XIII. PARKING SPACES

Section 1. General

The Parking Spaces will be subject to a License Agreement between a Unit Owner as the Licensee and the Board of Directors of the Association as the Licensor. The Board of Directors of the Association shall be required to keep a list of all Parking Spaces and the Units that are subject to a License Agreement or subject to a rental. All Unit Owners shall be required to advise the Board of Directors of the Association of any assignment or rental of any Parking Spaces pursuant to a License Agreement within ten (10) days of such assignment or rental.

Section 2. Use

Parking Spaces may only be utilized by a Licensee who owns a Unit in the Condominium, or simultaneously with entering into a Parking Space License Agreement is acquiring a Unit in the Condominium or in the Subsequent Phase, or a tenant of a Licensee who owns a Unit in the Condominium, or simultaneously with entering into a Parking Space License Agreement is acquiring a Unit in the Condominium or in the Subsequent Phase, and such use is limited to the parking of automobile, motorcycles, and similar type vehicles and pursuant to the provisions of this Declaration of Covenants and Restrictions, the Association By-Laws, and any Rules and Regulations regarding the Parking Spaces. The Unit Owner of a Non-Residential Unit shall have the right to enter into a License Agreement for multiple Parking Spaces located in the Parking Garage.

The nine (9) ADA-compliant Parking Spaces will be licensed only to Purchasers who themselves or a member of their family who is residing in the Residential Unit has a vehicle with handicapped license plates or a permanent handicapped permit. In the event a Residential Unit Owner in the Condominium or a member of their family residing in the Residential Unit becomes handicapped and thereafter acquires handicapped plates for his or her vehicle, and a different Residential Unit Owner is the then Licensee of an ADA-compliant Parking Space, and said Residential Unit Owner no longer has a handicapped license plate or permanent handicapped permit, the Residential Unit Owner who acquires handicapped plates for his or her vehicle has the right to demand that the Residential Unit Owner of the Residential Unit to which the ADA-compliant Parking Space is licensed trade or swap the ADA-compliant Parking Space for which their Residential Unit is the then Licensee for the non-handicapped Parking Space then licensed to the Residential Unit Owner who requires an ADA-compliant Parking Space. The Residential Unit Owner of the Residential Unit which is the Licensee of the ADA-compliant Parking Space must comply with the aforementioned demand upon thirty (30) days' written notice. In the event a Residential Unit Owner who is the Licensee of an

ADA-complaint Parking Space sells their Residential Unit to a subsequent purchaser which subsequent purchaser does not themselves have nor does a member of their family who is residing in the Residential Unit have a vehicle with handicapped license plates or a permanent handicapped permit, then such subsequent purchaser, who upon Closing of Title to the Residential Unit shall become a Residential Unit Owner, will be subject to the same requirements regarding the trade or swap of the License Agreement for the ADA-compliant Parking Space as discussed herein.

Section 3. Repair and Maintenance

All repairs and maintenance of the Parking Spaces and Garage Areas shall be the responsibility of the Association as a Common Expense, subject to the provisions of Article XIII, Section 3 and any other applicable sections of this Declaration of Covenants and Restrictions. There will be no additional monthly License Fee payable by Licensees of the Parking Spaces to the Association to cover the costs associated with the Parking Spaces. Notwithstanding, the Board of Directors shall have the right to implement monthly License Fees for the Parking Spaces in the future. Said License Fees associated with the Parking Spaces, should the Board of Directors determine to implement same, shall be in addition to the Maintenance Charges and any Special Assessments charged to any Unit Owner. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors of the Association shall have the same rights of collection and enforcement of any License Fees as they have for Association Maintenance Charges and Special Assessments as provided for in this Article XII or elsewhere in this Declaration of Covenants and Restrictions or the Association By-Laws.

Section 4. License Agreement

The Sponsor shall be authorized to execute all initial License Agreements for a Parking Space, for any Parking Spaces entered into with a Residential Unit Owner, and to receive any initial proceeds of such License Agreement ("Parking Space License Expense"). A designated member of the Board of Directors of the Association shall be authorized and required to execute the License Agreement on behalf of the Association as the Licensor of the License Agreement.

Section 5. Rules and Regulations

The License Agreement, of a Licensee who is a Residential Unit Owner, for a Parking Space may be assigned and/or rented only to another Residential Unit Owner in a condominium subject to this Declaration of Covenants and Restrictions ("Assignee or "Tenant"). The License Agreement of a Licensee who is a Non-Residential Unit Owner for a Parking Space may be assigned and/or rented to a Non-Residential Unit Owner or a tenant of a Non-Residential Unit Owner ("Assignee or "Tenant"). The Board of Directors of the Association shall have the right to promulgate rules and regulations regarding the assignment or rental of the Parking Spaces. In no event shall the Board of

Directors of the Association have the right to prohibit the right of a Residential Unit Owner or the Sponsor to assign or rent a Parking Space to a purchaser of the Residential Unit Owner or another Residential Unit Owner in a condominium subject to this Declaration of Covenants and Restrictions or to prohibit the right of a Non-Residential Unit Owner to assign the License Agreement or lease the Parking Space to another Non-Residential Unit Owner or a tenant of a Non-Residential Unit Owner. The Board of Directors of the Association shall have the right to approve the form of a License Agreement or promulgate a standard form for use by all Residential Unit Owners. Notwithstanding, as long as the Sponsor retains an Unsold Residential Unit in any Condominium subject to this Declaration of Covenants and Restrictions, the Sponsor shall have the right to utilize any form of License Agreement without interference with the Board of Directors of the Association.

Unit Owners must comply with all applicable laws regarding the Parking Spaces, which may be subject to periodic inspection by the police and fire departments of the City of Long Beach and other governmental agencies having jurisdiction thereover. In addition, the Parking Spaces may not be completed until after the Closing of Title of a Residential Unit in a condominium subject to this Declaration of Covenants and Restrictions and the fact that a Parking Space may not be available for use at the time of Closing will not constitute a basis for Residential Unit Owner to fail to Close Title to a Residential Unit.

Section 6. Declarant

In the event there are Parking Spaces that have not been Licensed to a Residential Unit Owner in a condominium subject to this Declaration of Covenants and Restrictions after the Declarant has conveyed all of the Residential Units in either the Condominium or any other Condominium subject to this Declaration of Covenants and Restrictions to bona fide Purchasers, the Declarant shall have the right but not the obligation to assign the rights pursuant to a License Agreement for any non-licensed Parking Space to the Board of Directors of the Association, subject to the Parking Space License Expense. Declarant shall be obligated to pay any applicable License Fee to the Association for such Parking Space(s) that are not subject to a License Agreement or assigned to the Board of Directors of the Association.

ARTICLE XIV. CABANAS

Section 1. General

Cabanas will be subject to a License Agreement between a Residential Unit Owner in a condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions as the Licensee and the Board of Directors of the Association as the Licensor. The Board of Directors of the Association shall be required to keep a list of all Cabanas and the Residential Units that are subject to a License Agreement or subject to a rental. All Residential Unit Owners subject to this

Declaration of Covenants and Restrictions shall be required to advise the Board of Directors of the Association of any assignment or rental of any Cabanas pursuant to a License Agreement within ten (10) days of such assignment or rental.

Section 2. Use

Cabanas may only be utilized by a Licensee who owns, or simultaneously with entering into a Cabana License Agreement is acquiring a Residential Unit in the Condominium or in the Subsequent Phase, subject to this Declaration of Covenants and Restrictions and By-Laws and any Rules and Regulations promulgated by the Board of Directors of the Association regarding the use of a Cabana.

Section 3. Repair and Maintenance

All structural repairs and maintenance of the Cabanas shall be the responsibility of the Association as a Common Expense, subject to the provisions of this Section 3 and any other applicable sections of this Declaration of Covenants and Restrictions. Each Residential Unit Owner who has entered into a License Agreement for a Cabana will be required to pay a monthly License Fee to the Association to cover the costs associated with the Cabanas as determined by the Board of Directors of the Association. The Board of Directors shall have the right to increase or decrease said amount as required by the costs of said services. Said License Fees associated with the Cabanas shall be in addition to the Maintenance Charges and any Special Assessments charged to any Residential Unit Owner. Any dispute regarding the allocation or amount of the License Fees shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association. The Board of Directors of the Association shall have the same rights of collection and enforcement of the License Fees as they have for Association Maintenance Charges and Special Assessments as provided for in this Article XII or elsewhere in this Declaration of Covenants and Restrictions or the Association By-Laws.

All repairs, maintenance, and replacement of the interior of the Cabanas, including but not limited to any fixtures or appliances therein shall be the obligation of the Licensee of such Cabana at the Licensee's sole cost and expense.

Section 4. License Agreement

The Declarant shall be authorized to execute all initial License Agreements for a Cabana subject to this Declaration of Covenants and Restrictions, for any Cabanas entered into with a Residential Unit Owner, and to receive the proceeds of such License Agreement ("Cabana License Expense"). A designated member of the Board of Directors of the Association shall be authorized and required to execute the License Agreement on behalf of the Association as the Licensor of the License Agreement.

Section 5. Rules and Regulations

The License Agreement for a Cabana may only be assigned and rented to another Residential Unit Owner in a condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions ("Assignee or "Tenant"). The Board of Directors of the Association shall have the right to promulgate rules and regulations regarding the assignment or rental of the Cabanas. In no event shall the Board of Directors of the Association have the right to prohibit the right of a Residential Unit Owner or the Declarant to assign or rent a Cabana to a purchaser of the Residential Unit Owner or another Residential Unit Owner in a condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions. The Board of Directors of the Association shall have the right to approve the form of a License Agreement or promulgate a standard form for use by all Residential Unit Owners. Notwithstanding, as long as the Declarant retains an Unsold Residential Unit in any Condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions, the Declarant shall have the right to utilize any form of License Agreement without interference with the Board of Directors of the Association.

Residential Unit Owners must comply with all applicable laws regarding the Cabanas, which may be subject to periodic inspection by the police and fire departments of the City of Long Beach and other governmental agencies having jurisdiction thereover. In addition, the Cabanas may not be completed until after the Closing of Title of a Residential Unit in a condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions and the fact that a Cabana may not be available for use at the time of Closing will not constitute a basis for Residential Unit Owner to fail to Close Title to a Residential Unit.

Section 6. Declarant

In the event there are Cabanas that have not been Licensed to a Residential Unit Owner in a condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions after the Declarant has conveyed all of the Residential Units in either the Condominium or any other Condominium or Permitted Residential Community subject to this Declaration of Covenants and Restrictions to bona fide Purchasers, the Declarant shall have the right but not the obligation to assign the rights pursuant to a License Agreement for any non-licensed Cabana to the Board of Directors of the Association, subject to the Cabana License Expense. Declarant shall be obligated to pay the applicable License Fee to the Association for such Cabana(s) that are not subject to a License Agreement or assigned to the Board of Directors of the Association.

ARTICLE XV. FIRST LIEN HOLDERS' RIGHTS.

(1) Notices of Action. A holder, insurer or guarantor of a first mortgage of a Residential Unit in the Association, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the Residential Unit number), shall be entitled to timely written notice of:

(a) Any proposed amendment of the Association instruments effecting a change in (i) the boundaries of any Residential Unit or the exclusive easement rights appertaining thereto, (ii) the liability for Association Common Expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any Residential Unit or (iv) the purposes to which any Residential Unit or The Properties are restricted;

(b) Any proposed termination of the Association regime;

(c) Any condemnation loss or any casualty loss which affects a material portion of the Association, or which affects any Residential Unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder;

(d) Any delinquency in the payment of Maintenance Charges or other charges owed by a Residential Unit Owner of a Residential Unit subject to the mortgage of such eligible holder, insurer, or guarantor, which such delinquency has continued for a period of sixty (60) days; and

(e) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer, or guarantor of a first mortgage on a Residential Unit in the Association which has requested notice in accordance with the provisions of (a) above.

ARTICLE XVI. DEDICATION OF INTERNAL ROADS/UTILITIES

In the event the City of Long Beach or other municipal government or agency agrees to accept the internal roadways or any utilities owned by the Association for dedication, the Board of Directors on behalf of the Association shall execute any documents and do all things required by the City of Long Beach or other municipal government or agency to accomplish such dedication.

ARTICLE XVII. GENERAL PROVISIONS

Section 1. Beneficiaries of Easements, Rights and Privileges.

The easements, licenses, rights or privileges established, created and granted by this Declaration of Covenants and Restrictions shall be for the benefit of and restricted solely to, the Declarant, the Association and the Residential Unit Owners of Units and Unsold Units constructed on The Properties; and any Unit Owner may also grant the benefit of such easement, license, right or privilege to the Residential Unit Owner's tenants and guests, occupants and their immediate families for the duration of their tenancies, visits or occupancy, subject to the Rules and Regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2. Duration and Amendment.

The covenants and restrictions of this Declaration of Covenants and Restrictions shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, any Member, or the Owner of any land subject to this Declaration of Covenants and Restrictions, their respective legal representatives, heirs, successors and assigns, until December 31, 2120, unless otherwise expressly limited herein, after which time, said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by sixty-six and two-thirds (66⅔) of the Members, then subject to this Declaration of Covenants and Restrictions, has been recorded, agreeing to change said covenants and restrictions in whole or in part. Notwithstanding the foregoing, the easements, licenses, rights and privileges established and created with respect to The Properties by Article VI shall be perpetual, run with the land, and shall survive any destruction, reconstruction and relocation of the physical structure.

Unless specifically prohibited or different requirements are provided herein, this Declaration of Covenants and Restrictions may be amended by an instrument signed by Members holding not less than sixty-six and two-thirds (66⅔) of the existing Members then subject to this Declaration of Covenants and Restrictions except as follows:

(a) The Board of Directors shall have the right to amend, modify, add or repeal the Rules and Regulations contained in Exhibit C of this Declaration of Covenants and Restrictions.

(b) No amendment, modification, addition, or deletion of, to or from this Declaration of Covenants and Restrictions, the By-Laws or any Rules and Regulations shall be effective in any way against the Declarant or its successor, assignee or designee or any Unsold Residential Unit, as long as the Declarant, successor, assignee or designee owns an Unsold Residential Unit on The Properties, unless Declarant has given its prior written consent thereto.

(c) No amendment shall be passed which shall affect the Non-Residential Units in 140 Boardwalk Condominium without the consent of the Non-Residential Unit Owners.

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

(e) The Board of Directors shall have the right to amend this Declaration of Covenants and Restrictions without the vote or consent of the Residential Unit Owners or the holders of any Unit mortgages and to execute and record in the Nassau County Clerk's Office such amendment as may be required to reflect (i) changes in this Declaration of Covenants and Restrictions that are corrective in nature, or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections, or (iv) to make any changes required by the City of Long Beach or any other municipality or agency; or to any provisions of the City of Long Beach or other municipal, state or federal agency applicable thereto.

(f) Declarant hereby reserves the right to amend, modify, add to or delete from this Declaration of Covenants and Restrictions at any time without the requirement of obtaining the approval, consent or signature of the Board of Directors or any Members for the purpose of making technical corrections or additions or any other changes as a result of the addition of any of The Properties provided for in Article II, Section 2 of this Declaration of Covenants and Restrictions. Such amendment, modification, addition, or deletion of, to or from this Declaration of Covenants and Restrictions, duly executed, in form for recording shall be recorded by Declarant against the Property and theretofore subject to this Declaration of Covenants and Restrictions.

(g) In the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Residential Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of The Properties; responsibility for maintenance and repairs; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; imposition of any restrictions on a Residential Unit Owner's right to sell or transfer the Residential Unit Owner's Residential Unit other than what is contained in this Declaration of Covenants and Restrictions, the Association By-Laws and Association Rules and Regulations and any Declaration of Condominium, Condominium By-Laws and Condominium Rules and Regulations of any Condominium regime or declaration, by-laws or

rules and regulations of any Permitted Residential Community that is subject to this Declaration of Covenants and Restrictions; a decision by the Association to establish self management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to this Declaration of Covenants and Restrictions shall not be considered material if it is for the purpose of correcting technical errors, scrivener's errors, or clarification.

(h) Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Association a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment. There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Residential Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

(i) The Declarant reserves the right, in the sole and absolute discretion of Declarant, without the requirement of obtaining the approval, consent or signature of the Board of Directors or any Members or mortgagee to amend, modify, add to or delete from this Declaration of Covenants and Restrictions and all schedules and exhibits hereto; (a) to the extent required or requested by any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac") and/or Federal Housing Authority ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA"), State of New York Mortgage Agency ("SONYMA") and/or any other Federal, State or Local Funding Agencies, or; (b) to reflect any amendments required by any present or future law, or any other requirements imposed by governmental authority; (c) or to correct any scrivener's error, technical corrections, changes that are corrective in nature and to resolve or clarify any inconsistency or which is patently a mistake; or (d) to make any changes required by the City of Long Beach or any other municipality of agency; or (e) to change the Association Common Interest of one (1) or more of the Unsold Residential Units as long as it does not change the Association Common Interest of a sold Residential Unit and to amend Schedules B and/or C accordingly; or (f) to comply with any recorded declarations, covenants, restrictions, easements and

rights of way that encumber the Association Property. In connection therewith each Class A Member, upon becoming a Residential Unit Owner, shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Sponsor, its successors, assigns and purchasers of undeveloped or unsold Residential Units to amend the Declaration of Covenants and Restrictions for said purposes.

Any amendment must be properly recorded to be effective.

Section 3. Disposition of Assets Upon Dissolution of Association.

Upon dissolution of the Association, its real and personal assets shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No such disposition of the Association properties shall be effective to divest or diminish any right or title to any Member vested in the Member under the licenses, covenants and easements of this Declaration of Covenants and Restrictions, or under any subsequently recorded covenants, deeds or other documents applicable to The Properties, except as may be otherwise provided in this Declaration of Covenants and Restrictions or said covenants, deeds or other documents, as the case may be, nor shall any other party under any such deeds, covenants or other documents be deprived of any rights thereunder on account of such disposition.

Section 4. Notices.

Whenever under the provisions of this Declaration of Covenants and Restrictions, By-Laws, or Rules and Regulations of the Association, notice is required to be given to the Board of Directors, any Member or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper or by courier service, or by electronic mail, addressed to the Board of Directors, such Member or Unit Owner at such address as appears on the books of the Association.

Section 5. Administration.

The administration of the Association shall be in accordance with the provisions of the Association By-Laws and Rules and Regulations which are made a part of this Declaration of Covenants and Restrictions and attached hereto as Exhibits “B” and “C” respectively.

Section 6. Severability.

Invalidation of any of the covenants, limitations or provisions of this Declaration of Covenants and Restrictions by judgment or court order shall in no way affect any of the remaining provisions hereof and the same shall continue in full force and effect.

Section 7. Special Rights of Declarant.

In addition to all other rights and privileges afforded Declarant, any successor, assignee, or designee and notwithstanding anything to the contrary contained herein so long as there are any Unsold Residential Units in any Phase of the Development, Declarant and any successor, assignee or designee of Declarant shall have the right, without requiring the consent of either the Association or any other Member(s), and without charge or limitation, to:

(a) Have its employees, contractors, subcontractors, and sales agents present on The Properties and on the Unsold Units;

(b) Erect and maintain signs and other promotional materials (including, without limitation, “For Sale” signs, and “For Rent” signs on the Properties, in connection with the promotion, sale, leasing, management, or operation of the Residential Units, any Condominium regime or Permitted Residential Community subject to this Declaration of Covenants and Restrictions, all Subsequent Phases of Development, or any other property, development or community the Declarant, its successors, assigns or designees so prescribe;

(c) Use any one or more Units or Unsold Units as : (i) model Units; (ii) offices for the promotion, sale, rental, management and/or operation of the Unsold Units; (iii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to The Properties and/or the Residential Units or Unsold Units; and/or (iv) for any other purpose;

(d) Declarant shall have the right, at any time when there shall be any Unsold Units on The Properties, as well as any Unsold Units in any Subsequent Phase should Subsequent Phases be brought within the scheme of this Declaration of Covenants and Restrictions, to use The Properties, including the Outdoor Amenities and/or Amenity Rooms, without charge, for exhibitions or other promotional functions with respect to Declarant’s sales programs, in accordance with and subject to this Declaration of Covenants and Restrictions, the By-Laws, and the Rules and Regulations;

(e) Do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of The Properties and the Unsold Units) for the purpose of (i) the promotion, sale, rental, management and/or operation of the Unsold Units in all Phases of the

Community; (ii) the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to The Property and/or (iii) the exercise performance and discharge of Declarant's other rights and obligations under this Declaration of Covenants and Restrictions, the By-Laws or the Rules and Regulations;

(f) Amend this Declaration and record the amendment in the Nassau County Clerk's Office without the vote of the Members to reconfigure and renumber the Parking Spaces under a revised Parking Space plan. Notwithstanding said right, any Member who licenses a Parking Space shall continue to have the right to continue to utilize the same number of Parking Spaces in the revised Parking Space plan. In connection therewith, each Member of the Association, upon becoming a Member, shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Directors of the Association and to the Declarant to amend this Declaration for said purposes;

(g) The right to retain Parking Spaces and license, rent, lease, or permit the use of a Parking Space to any resident in a Condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions for the use of such resident;

(h) The right to retain Cabanas and license, rent, lease, or permit the use of a Cabana to any resident in a Condominium or other Permitted Residential Community subject to this Declaration of Covenants and Restrictions for the use of such resident;

(i) Notwithstanding anything to the contrary contained in this Declaration of Covenants and Restrictions and/or the By-Laws, no Managing Agent, Board of Directors, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Unit or the rental of any Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent or the Board of Directors, or any agent, member, or representative thereof, regarding any sale or transfer of a Unit or rental of a Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

In no event, however, shall Declarant or such designee be entitled to use any portion of The Properties in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article XI, Section 7 may not be amended without the written consent of the Declarant, or its successors or assigns.

ISLA BLU AT LONG BEACH, LLC

By: _____

STATE OF NEW YORK)
ss:
COUNTY OF)

On this ____ day of _____, 20___, before me, the undersigned a Notary public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A
LEGAL DESCRIPTION

Insert Legal Description of Phase I

(Phase I includes Common Areas of Phase I of the Association and Condominium I)

SCHEDULE B
Association Common Interest Phase I

SCHEDULE C
Association Common Interest All Phases

SCHEDULE D
Association By-Laws

SCHEDULE E
Association Rules and Regulations

DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS AND BY-LAWS

DECLARANT: ISLA BLU AT LONG BEACH LLC
300 Jericho Turnpike
Jericho, New York 11753

DATE OF RECORDING OF DECLARATION
OF COVENANTS AND RESTRICTIONS:

SECTION:

BLOCK:

LOT:

Record and Return to:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Declarant
Attn: Richard Herzbach, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

SCHEDULE J-3

BY-LAWS OF THE HOMEOWNERS ASSOCIATION

BY-LAWS

OF

THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
Attn: Richard Herzbach, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

EXHIBIT B
TO THE DECLARATION OF COVENANTS AND RESTRICTIONS

BY-LAWS
OF
THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS
OF
THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

A New York Not-For-Profit Corporation

ARTICLE I. NAME, LOCATION AND PRINCIPAL OFFICE

These are the By-Laws of The Boardwalk Long Beach Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located in the City of Long Beach, Nassau County and State of New York.

ARTICLE II. DEFINITIONS

The definitions contained in the Declaration of Covenants, Restrictions, Easements, Charges and Liens and replacement (as necessary) shall be applicable to these By-Laws unless otherwise stated. For simplicity's sake the Declaration of Covenants and Restrictions contained in these By-Laws shall include any Supplemental Declaration of Covenants and Restrictions.

ARTICLE III. PURPOSE

This Association has been formed to operate, manage and control The Properties. The Association has also been formed to maintain, repair and replace (as necessary) certain improvements located on The Properties, including the repair, maintenance and replacement (as necessary) of all of the Common Areas of the Association, all the General Common Elements and General Residential Units' Limited Common Elements located in any Condominium regime subject to the Declaration of Covenants and Restrictions, any Individual Residential Unit's Limited Common Elements that have been delegated to the Association as may be provided for in each condominium Declaration that will be subject to the Declaration of Covenants and Restrictions and any common areas of any other type of residential communities that may be developed in "Permitted Residential Communities" for the benefit of the Members of the Association.

ARTICLE IV. APPLICABILITY

All present and future Members, their family members, tenants, occupants, guests, licensees, agents, employees and any other person or persons that shall be permitted to use The Properties shall be subject to these By-Laws and to the Rules and Regulations issued by the Association to govern the conduct of its Members.

ARTICLE V. USE OF FACILITIES

The Properties subject to the Declaration of Covenants and Restrictions shall be limited to the use by the Members, their family members, their permitted tenants, occupants and their guests. In the event that a Member shall be permitted to lease or permit another to occupy the Member's Unit, the tenant or occupant shall at the option of the Member, be permitted to enjoy the use of The Properties in lieu of and subject to the same restrictions and limitations as said Member. In such an event, the Member shall provide the Board of Directors with the name of the permitted tenant or occupant. Any Member, permitted tenant or occupant entitled to the use of the Association facilities may extend such privileges to members of the Member's, permitted tenant's, or occupant's family residing in the Member's household by notifying the Secretary in writing of the names of any such persons and of the relationship of such Member, tenant or occupant to such persons. The Board of Directors may establish a limitation on guest privileges and/or establish a guest fee for the use of The Properties by guests of Members or tenant or occupants of Units and their respective family members.

Sponsor shall have the right, on an equal basis with other Members to use all or any of The Properties or permit all or any of The Properties, including the Outdoor Amenities and Amenity Rooms, to be used by Sponsor's successor, designee and/or assignee, or any prospective purchaser of a Residential Unit or any tenants of Unsold Residential Units, without charge, in accordance with and subject to these By-Laws and any Rules and Regulations promulgated by the Board of Directors. In addition, Sponsor shall have the right, until all Unsold Residential Units are sold, including all Residential Units in all Phases subject to the Declaration of Covenants and Restrictions to use all or any of The Properties, including the Outdoor Amenities and Amenity Rooms, without charge, for exhibitions or other promotional functions with respect to Sponsor's sales programs. Sponsor shall also have the right to use any Association Building or the Outdoor Amenities and Amenity Rooms, if any, or portion thereof as; (i) offices for the promotion, sale, rentals, management and/or operation of the Unsold Residential Units; (ii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Sponsor with respect to The Properties and/or the Residential Units or Unsold Residential Units; and/or (iii) for any other purpose. In no event, however, shall Sponsor be entitled to use any portion of The Properties in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes. This provision regarding Sponsor may not be amended without the written consent of the Sponsor.

ARTICLE VI. MEMBERSHIP AND VOTING RIGHTS

Section 1. **Membership.**

The Association shall have two (2) classes of membership interest as follows: Class A Membership shall represent the owners of the Residential Units, except the Sponsor, within each Condominium regime subject to the Declaration of Covenants and Restrictions and Class B Membership shall represent the Sponsor as the owner of the Unsold Residential Units. All Owners of a Residential Unit or Unsold Residential Unit on The Properties then subject to the Declaration of Covenants and Restrictions shall be Class A Members of the Association, whether such ownership is joint, in common or tenancy by the entirety. Each Member is entitled to one (1) vote regardless of the number of Residential Units or Unsold Residential Units owned by a Member except as provided in Article VIII, Section 2 of these By-Laws regarding the election of Directors. When more than one (1) person or entity holds such interest in such membership, the one (1) vote attributable to such Member shall be exercised as such persons mutually determine but not more than one (1) vote may be cast with respect to any such Member. The Owner(s) of any Non-Residential Unit(s) within any Condominium or other Permitted Residential Community within the overall Development will not be Members of the Association.

Section 2. **Suspension of Membership.**

The rights of a Class A Member or tenant or occupant of a Residential Unit, and their respective family members, guests and invitees, to the use and enjoyment of The Properties are subject to the payment by a Class A Member of periodic Maintenance Charges and Special Assessments levied by the Board of Directors, the obligation of which Maintenance Charges and Special Assessments is imposed against each Class A Member and becomes a lien upon the Residential Unit of any Class A Member against which such Maintenance Charges and Special Assessments are made as provided for by Article VI of the Declaration of Covenants and Restrictions. If a Class A Member shall be in default in the payment of the Maintenance Charges and/or Special Assessments assessed against such Class A Member's Residential Unit, and fails to cure such default within five (5) days after receipt of written notice from the Board of Directors, the Board of Directors, in its sole discretion, shall have the option to prohibit all privileges of the Association by such Class A Member, permitted tenant or occupant, and the respective family members, guests and invitees of the foregoing, and until such Class A Member is reinstated in good standing in the Association, to take such other legal action as may be permitted by applicable law or these By-Laws. In addition to the foregoing, any Class A Member so in default shall lose all voting privileges, shall be ineligible to be considered for membership to the Board of Directors and, if on the Board of Directors, shall be suspended thereto until such time as all Maintenance Charges and/or Special Assessments, together with late charges, interest and expenses, if any, are paid to the Association. In no event, however, shall a Class A Member or a Class A Member's permitted tenant, or occupants right of ingress and egress to and from the Residential Unit through The Properties be curtailed in any manner. This Section 2 of Article VI shall not apply to Sponsor.

Section 3. Transfer of Membership.

Membership in the Association shall be appurtenant to, and may not be transferred except in conjunction with the lawful sale or conveyance of a Residential Unit. No Class A Member shall be permitted to sell or convey the Class A Member's Residential Unit unless and until the Class A Member shall have paid in full to the Board of Directors all unpaid Maintenance Charges, Special Assessments and other amounts required by the Board of Directors to be paid and assessed by the Board of Directors against such Residential Unit, and subject to any Right of First Refusal applicable to a Class A Member's Residential Unit contained in any Declaration of Condominium of a Condominium subject to the Declaration of Covenants and Restrictions. Upon such sale or conveyance, the seller of such Residential Unit shall relinquish the Residential Unit Owner's membership in the Association and the purchaser of such Residential Unit shall automatically become a Class A Member, subject to the Declaration of Covenants and Restrictions, the By-Laws and the Rules and Regulations of the Association.

ARTICLE VII. QUORUM, PROXIES, WAIVERS, AND MEETINGS

Section 1. Quorum.

So many Members as shall represent at least fifty-one (51%) percent of all Members whose Residential Units are then subject to the Declaration of Covenants and Restrictions present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration of Covenants and Restrictions, the Certificate of Incorporation of the Association or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting, so many Members as shall represent at least thirty-three and one third (33⅓%) percent of all Members whose Residential Units are then subject to the Declaration of Covenants and Restrictions shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. If, however, such reduced quorum shall not be present or represented at such adjourned meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting, so many Members as shall represent at least twenty-five (25%) percent of the total authorized votes of all Members whose Residential Units are then subject to the Declaration of Covenants and Restrictions shall constitute a quorum. Any business may be transacted which might have been transacted at the meeting originally called.

Section 2. **Vote Required to Transact Business.**

When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Members, unless the question is one upon which by express provision of the Statute, Declaration of Covenants and Restrictions, Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3. **Right to Vote.**

Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Any Class A Member in default of the payment of their Maintenance Charges, Special Assessments, late fees or penalties shall be prohibited from voting at any Annual, general or Special Meeting of the Members.

Section 4. **Number of Votes.**

Each Member shall be entitled to one (1) vote regardless of the number of Residential Units owned by such Member except as provided in Article VIII, Section 2 of these By-Laws regarding the election of Directors.

Section 5. **Proxies.**

All proxies shall be in writing signed by the owner, and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 6. **Waiver and Consent.**

Wherever the vote of the membership at a meeting is required or permitted by Statute or by any provision of the Declaration of Covenants and Restrictions, Certificate of Incorporation or by these By-Laws to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 7. **Place of Meeting.**

Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 8. **Annual Meetings.**

The initial Board of Directors ("First Board of Directors") upon the recording of the Declaration of Covenants and Restrictions in the Nassau County Clerk's Office shall be constituted and shall consist of three (3) Directors (hereinafter "Directors") and shall be designated by the Sponsor, as the Class B Member, for one (1) year terms The Board of Directors will increase to five (5) Directors at the Annual or Special Meeting subsequent to the Sponsor Association Control Period as described below.

The Sponsor, as the Class B Member, will have voting control and may designate all the Directors of the Board of Directors of the Association until all of the Residential Units in the Association have been sold or transferred to Residential Unit Owners other than the Sponsor, its successors, assignees and/or designees ("Sponsor Association Control Period").

The First Board of Directors will call for the First Association Annual Meeting of the Members to elect a Board of Directors within three (3) years of the Closing of Title to the first Residential Unit in the Association or within thirty (30) days after the Closing of Title of the last Residential Unit in the Association, whichever occurs first. In the event the Sponsor Association Control Period lapses subsequent to the First Annual Meeting, the then Board of Directors shall call for a Special Meeting pursuant to the provisions of Article VII, Section 9 of the By-Laws. At such meeting, Directors of the Board of Directors shall be elected by the Members pursuant to Article VIII, Section I of the By-Laws, other than the Directors the Sponsor may still have the right to designate, and the former Directors of the Board of Directors shall thereupon resign. Thereafter Annual Meetings shall be held on the anniversary of such date each succeeding year or such other date as the Board of Directors determines within a reasonable period thereof. At such Annual Meetings, in the event the Sponsor is not entitled to designate all the Directors of the Board of Directors, there shall be elected by ballot of the Members a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The Residential Unit Owners may also transact such other business of the Association as may properly come before them.

In the event the Sponsor voluntarily resigns a position on the Board of Directors prior to the Sponsor Association Control Period, the Sponsor will be entitled to designate all other Residential Directors of the Board of Directors of the Homeowners Association until the last Residential Unit in the Community, inclusive of all Subsequent Phases, is sold and titled. When the Sponsor no longer owns a Residential Unit in the Community, the Sponsor is not entitled to retain a seat on the Board of Directors.

Section 9. **Special Meetings.**

It shall be the duty of the President to call a Special Meeting of the Association, if so directed by the Board of Directors, or upon the presentation to the Secretary of a petition signed by a majority of the Members. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the Officer or other

person or persons by whom the meeting is called, to be delivered by electronic mail, courier service or First Class mail as provided in Section 10 of this Article to each member of record of the Association entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the Special Meeting shall be determined by the Board of Directors and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 9 unless a later date is agreed to in writing by the Members or the Board of Directors, requesting such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless all Members of the Association are present in person or by proxy. Any or all of the Directors of the Association, other than those designated by the Sponsor may be removed without cause by vote of the Members at a Special Meeting called pursuant to this section if the meeting is called for such purpose.

Section 10. Notice of Meetings.

It shall be the duty of the Secretary or other designated agent of the Board of Directors to provide written notice of the place, date and hour of each Annual or Special Meeting, stating the purpose thereof at least ten (10) but not more than thirty (30) days prior to such meeting. A copy of the notice of any meeting shall be given, personally, by first class mail, facsimile telecommunications or by electronic mail to each Member entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Member at the Member's address as it appears on the record of Members or, if the Member shall have filed with the Secretary or designated agent a written request that notices to the Member be mailed to some other address, then directed to the Member's such other address. If the notice is sent by facsimile telecommunication or mailed electronically, such Notice is given when directed to the Member's fax number or electronic mail address as it appears on the record of the Members, or , to such fax number or other electronic mail address as filed with the Secretary or designated agent. Notwithstanding the foregoing, such Notice shall not be deemed to have been given electronically (1) if the Secretary or designated agent of the Board of Directors is unable to deliver two consecutive Notices to the Member by facsimile telecommunication or electronic mail; or (2) the Secretary or the designated agent of the Board of Directors otherwise becomes aware that Notice cannot be delivered to the Member by facsimile telecommunication or electronic mail. In such an event, Notice will be provided by first class mail.

Section 11. Order of Business.

The order of business at all meetings shall be as follows:

(a) Roll call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of Officers
(e) Report of committees
(f) Appointment of inspectors of election (in the event there is an election)

(g) Election of Directors (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE VIII. BOARD OF DIRECTORS

Section 1. Number and term.

The initial Board of Directors (the "First Board of Directors"), consisting of three (3) Directors, shall be designated by the Sponsor.

Sponsor is entitled to designate all of the Directors of the Board of Directors until all of the Residential Units in all phases of the Community have been sold or transferred to bona fide purchasers (the "Sponsor Association Control Period"). During such time the Board of Directors shall consist of three (3) Sponsor designated Directors. Sponsor Directors shall be appointed for a one (1) year term. At the expiration of the Sponsor Director terms, if the Sponsor is still entitled to designate Directors, the Sponsor Directors shall thereafter continue to be appointed as Directors for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. The First Board of Directors will call for the First Association Annual Meeting of the Members to elect a Board of Directors within three (3) years of the Closing of Title to the first Residential Unit in the Association or within thirty (30) days after the Closing of Title of the last Residential Unit in the Association, whichever occurs first. In the event the Sponsor Association Control Period lapses subsequent to the First Annual Meeting, the designated Directors of the Sponsor are required to relinquish their position on the Board of Directors and the then Board of Directors will call for a Special Meeting of the Members as per the provisions of Article VII of the Association By-Laws.

At the Special or any Annual Meeting of Members subsequent to the Sponsor Association Control Period, a total of five (5) Directors of the Board of Directors shall be elected or designated to the Board of Directors by the Class A Members' Residential Units Owners. All Directors of the Board of Directors, other than the Sponsor designated representatives, shall be nominated and elected by the Class A Members at the Special or Annual Meeting after the Sponsor Association Control Period. Thereafter, at all Annual Meetings, the Board of Directors may request nominations for the Directors to the Board of Directors prior to the Annual Meeting in addition to nominations from Class A Members for the Board Directors at the Annual Meeting. Sponsor representatives of the Board of Directors shall be appointed by the Sponsor. As long as the Sponsor retains at least one (1) Residential Unit in the Community, the number of Directors of the Board of Directors may not be increased to more than five (5) Directors without the consent of the Sponsor.

At any meeting of Class A Members to elect a Board of Directors subsequent to the Sponsor Association Control Period, subject to the provisions regarding the Sponsor Association Control Period as provided in this Section, the term of office of two (2) of the Directors of the Board of Directors shall be fixed for three (3) years, the term of office of

two (2) of the Directors of the Board of Directors shall be fixed for two (2) years, and the term of office of one (1) of the Directors shall be fixed for one (1) year. The two (2) Class A Members receiving the highest number of votes shall be elected to the three (3) year term, the two (2) Class A Members receiving the next highest number of votes shall be elected to the two (2) year term, and the one (1) Class A Member receiving the next highest number of votes shall be elected to the one (1) year term. Each Class A Member shall be entitled to cast one vote for each Director of the Board of Directors to be elected to the Board of Directors. At the expiration of the initial term of office of each respective Director of the Board of Directors, their successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

The Sponsor shall have the right to voluntarily resign a position on the Board of Directors prior to the Sponsor Association Control Period lapsing. In such an event the Board of Directors will either (a) call for a Special Meeting of the Members pursuant to the provisions of Article VII, Section 9 of the Association By-Laws to elect a Class A Member to the Board of Directors for the balance of the Sponsor Director's term or (b) the remaining Directors of the Board of Directors will appoint a Class A Member to the Board of Directors for the balance of the Sponsor Director's term. At the expiration of the term of the appointed or elected Class A Member replacing the Sponsor designee as provided in this paragraph, the Board of Directors will either (a) call for a Special Meeting of the Members pursuant to the provisions of Article VII, Section 9 of these By-Laws to elect a Class A Member to the Board of Directors for a one (1) year term or (b) the remaining Directors will appoint a Class A Member to the Board of Directors for a one (1) year term. This procedure shall continue until the meeting of Class A Members to elect a Board of Directors subsequent to the Sponsor Association Control Period, at which time the applicable Director's term will automatically expire. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Directors before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Directors that the Sponsor desires to reclaim said position the Directors appointed or elected to said position shall resign and the Sponsor shall reappoint a Sponsor Director to the Board of Directors. At such time as the Sponsor no longer owns any Residential Unit in the Community the Sponsor Directors shall resign and the Sponsor will not be entitled to designate any Directors to the Board of Directors.

In addition, the President of each Condominium regime or other Permitted Residential Community located on The Properties and which are subject to the Declaration of Covenants and Restrictions shall automatically become a non-voting member of the Board of Directors, unless said person is elected to the Board of Directors by the Class A Members of the Association. In such an event, the respective Board of the Condominium or other Permitted Residential Community located on The Properties shall elect the non-voting member of the Board of Directors for the respective Condominium or other Permitted Residential Community.

All Directors, other than those the Sponsor shall have the right to designate, must be either Class A Members of the Association or immediate family members residing in

the Class A Member's Residential Unit.

As required by law, each Director shall be at least nineteen years of age.

In no event shall any Class A Member be eligible for election to the Board of Directors if such Class A Member is then in default, beyond any applicable grace period, in the payment of Maintenance Charges, Special Assessments or any other amounts required by the Board of Directors to be paid.

Section 2. Voting and Right of Sponsor to Designate Certain Board of Directors Members.

In an election of Directors, each Member who is eligible to vote shall be entitled to as many votes as shall equal the number of Directors to be elected on each ballot, but not more than one (1) vote can be given by any Member to any one (1) person who is seeking a position on the Board of Directors.

The Sponsor will be entitled to designate all of the Member Directors of the Board of Directors of the Homeowners Association until the last Residential Unit in all phases of the Community is sold and titled to a bona fide purchaser. When the Sponsor no longer owns any Unsold Residential Unit in the Community it may not designate any Directors.

In the event the Sponsor relinquished a position on the Board of Directors as provided in Section 1 of this Article VIII and still retains unsold Residential Units in the Community, then in addition to the Directors designated by the Sponsor, Sponsor may vote as Sponsor so determines for any other Directors, so long as the Directors are Class A Members and are not on Sponsor's slate of Directors of the Board of Directors, payroll or as long as they did not receive other financial backing from the Sponsor or a Director of the Board of Directors other than a mortgage, if applicable.

The provisions of Article VIII Sections 1 and 2 may not be amended without the written consent of the Sponsor.

Section 3. Vacancy and Replacement.

If the office of any Director becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Directors of the Board of Directors, though less than a quorum, at a Special Meeting of the Directors of the Board of Directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. At such meeting only the remaining Directors of the Board of Directors shall be entitled to vote for said Director's successor or successors. In the event of the failure to hold any election of the Directors of the Board of Directors at the time designated for the annual election of the Directors of the Board of Directors or in the event that the Directors of the Board of Directors shall not have

filled any such vacancy, a Special Meeting of the Class A Members to elect new Directors to the Board of Directors or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of Special Meetings of the Members as provided for in Article II, Section 10 of these By-Laws. If the vacancy occurs with respect to any Director of the Board of Directors who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Director's successor to fill the unexpired portion of the term. In addition, the Sponsor shall have the right to substitute the Directors of the Board of Directors it has designated at Sponsor's discretion.

Section 4. **Removal.**

Voting Directors (other than Sponsor's designated Directors) may be removed with or without cause by an affirmative vote of two-thirds (⅔) of the Members of the Association at a Special Meeting called pursuant to Article VII, Section 9 of these By-Laws. Non-voting Directors of the Board of Directors may be removed by a majority of the voting members of the Board of Directors for any reason. In such an event the Board of Managers of the condominium regime or board of any Permitted Residential Community shall have the right to designate a replacement as a non-voting member of the Board of Directors. No Director, other than a designee of the Sponsor, shall continue to serve on the Board of Directors if, during the Director's term of office, the Director shall cease to be a Class A Member or no longer reside in a Class A Member's Residential Unit as part of the Class A Member's immediate family. In the event a Sponsor designee resigns, the Sponsor shall have the sole right to designate a replacement. Any Class A Member who is a Director of the Board of Directors in default of the payment of Maintenance Charges and/or Special Assessments shall be suspended from the Board of Directors until such time as all Maintenance Charges and/or Special Assessments, together with late charges, interest and expenses, if any, are paid in full to the Association.

Section 5. **Resignation.**

Any Director may resign at any time by written notice delivered in person or sent by certified mail to the president or secretary of the Corporation. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 6. **Suspension.**

Any individual Class A Member who is a Director of the Board of Directors in default of the payment of Maintenance Charges, Special Assessments, together with late fees, interest and expenses shall be suspended from the Board of Directors until such time as all Maintenance Charges, Special Assessments, together with late fees, interest and expenses, if any, are paid in full to the Association.

Section 7. Powers.

(a) The property and business of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration of Covenants and Restrictions, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members or Residential Unit Owners personally. These powers shall specifically include, but not be limited to the following items:

1. To determine and levy monthly assessments ("Maintenance Charges") to cover the cost of operating and maintaining The Properties and other maintenance requirements ("Association Common Expenses") of the Association payable in advance. The Board of Directors may increase the monthly Maintenance Charges or vote a Special Assessment in excess of that amount, if required, to meet any additional necessary expenses.

2. To collect, use and expend the Maintenance Charges collected to maintain, care for and preserve The Properties, the General Common Elements and General Residential Units' Limited Common Elements of each Condominium regime subject to the Declaration of Covenants and Restrictions, the Individual Residential Unit's Limited Common Elements of each condominium regime subject to the Declaration of Covenants and Restrictions that have been delegated to the Association in each condominium regime's Declaration of Condominium or By-Laws, the common areas of any other legally permissible residential community subject to the Declaration of Covenants and Restrictions and any other maintenance requirements of the Association.

3. To make repairs, restore or alter The Properties, the Common Area of the Association, the General Common Elements and General Residential Units' Limited Common Elements of each Condominium regime that is subject to the Declaration of Covenants and Restrictions as provided in each Condominium Declaration, and the Individual Residential Unit's Limited Common Elements of each condominium regime subject to the Declaration of Covenants and Restrictions that have been delegated to the Association in each condominium regime's Declaration of Condominium or By-Laws, the common areas of any other legally permissible residential community subject to the Declaration of Covenants and Restrictions after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

4. To open bank accounts and to designate the signatories to such bank accounts.

5. To borrow money on behalf of the Association, each Condominium regime, and/or other Permitted Residential Community subject to the Declaration of Covenants and Restrictions as provided for in the Declaration of Covenants and Restrictions, respective Declaration of Condominium, or declaration of any other Permitted Residential Community that is subject to the Declaration of Covenants and Restrictions when required in connection with the operation, care, upkeep, maintenance and replacement of the Common Area of the Association, General Common Elements and General Residential Units' Limited Common Elements of the respective Condominium or common areas of any other Permitted Residential Community provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements or common areas of any other Permitted Residential Community without the written consent of the Residential Unit Owner of said Unit.

6. To collect delinquent Maintenance Charges by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the Rules and Regulations herein referred to.

7. To make reasonable Rules and Regulations applicable to the Class A Members and to amend, alter, modify, waive, repeal, or add to the same from time to time as provided for in Exhibit C of the Declaration of Covenants and Restrictions. Such Rules and Regulations and amendments, alterations, modifications, repeals, or additions thereto shall be binding upon the Class A Members when the Board of Directors has approved them in writing and delivered a copy of such Rules and Regulations and all amendments, alterations, modifications, or additions to each Class A Member. Such Rules and Regulations may without limiting the foregoing, include reasonable limitations on the use of The Properties, including the Outdoor Amenities and Amenity Rooms, by guests of the Class A Members as well as reasonable admission and other fees for such use.

8. To impose fines or penalties upon any Class A Member who violates the Declaration of Covenants and Restrictions, its Rules and Regulations or By-Laws.

9. To employ workers, contractors and supervisory personnel, and to purchase supplies and equipment, to enter into contracts to provide maintenance, refuse removal and other services, and generally to

have the power of Directors in connection with the matters hereinabove set forth.

10. To bring and defend actions by or against one or more Class A Members any of their occupants and permitted tenants pertinent to the operation of the Association and to assess Special Assessments to pay the cost of such litigation. Notwithstanding said rights, pursuant to Article VIII, Section 6(c) of these By-Laws, so long as the Sponsor shall continue to own one (1) or more unsold Residential Unit in any Phase of the Development, the Board of Directors may not utilize Association funds or assess the Sponsor for any lawsuit by the Association against the Sponsor or any of its principals.

11. To hire a Managing Agent to perform and exercise the powers of the Board of Directors in the management of the Development.

12. To execute, acknowledge and deliver (i) any declaration or other instrument affecting The Properties, which the Board of Directors deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any public authority, applicable to the occupancy, maintenance, demolition, construction, alteration, repair or restoration of The Properties; or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting The Properties which the Board of Directors deems necessary or appropriate.

13. To obtain and review insurance for the Association and the Condominium regimes or any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions, if applicable and if so empowered by the Condominium regimes or any other Permitted Residential Community.

14. To grant utility or other easements over or through The Properties, the Common Elements of each Condominium regime and/or common area of any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions as may, at any time, be required for the benefit of the Association and each Condominium regime or any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions and the Residential Unit Owners or Members without the necessity of the consent thereto, or joinder therein, by the Residential Unit Owners or Members or any mortgagee.

15. To establish a Reserve Fund or funds which fund(s) shall be used strictly and solely for capital expenditures for the Common Areas of

the Association, and the General Common Elements or General Residential Units' Limited Common Elements of each Condominium regime or common areas of any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions or any Individual Residential Unit's Limited Common Elements that have been delegated to the Association to repair, maintain and replace as provided for in the Declaration of Condominium and/or By-Laws for any condominium regime subject to the Declaration, the declaration and/or by-laws of any Permitted Residential Community subject to the Declaration, and/or these By-Laws. Any Reserve Funds being collected as part of the Association Common Expenses and Common Charges of each Condominium regime or common areas of any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions shall be utilized exclusively for capital expenditures of the Common Area of the Association and the General Common Elements and General Residential Units' Limited Common Elements of the respective Condominium, any Individual Residential Unit's Limited Common Elements, or common area of any other Permitted Residential Community subject to the Declaration of Covenants and Restrictions.

16. To enter into contracts, settlement agreements and/or other matters on behalf of the Association.

17. To carry out all of the rights and obligations delegated to the Association or Board of Directors of the Association for any condominiums located on The Properties subject to the Declaration of Covenants and Restrictions that are contained in the respective Condominium's Declaration of Condominium, By-Laws and Rules and Regulations and to carry out all of the rights and obligations delegated to the Association as provided for any Permitted Residential Community located on The Properties that are contained in a Permitted Residential Community's Declaration, By-Laws and Rules and Regulations.

(b) The Board of Directors may, by resolution or resolutions, passed by a majority of the whole Board of Directors, designate one or more committees, in addition to any committee required by these By-Laws, each of such committees to include at least one (1) Director, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by

resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board of Directors as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws until the Sponsor sells and Closes Title on the last Residential Unit in the Development (unless the Sponsor does not add certain Phases to the Development as provided for in the provisions of Article V, Section 2 of the Declaration of Covenants and Restrictions), the Board of Directors may not, without the Sponsor's prior written consent (i) make any addition, alteration or improvement to The Properties, or (ii) assess any Common Maintenance Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund or, (iii) charge any special Common Maintenance Charge for a non-budgeted item unless required by law, emergency, municipal agency or for the health and safety of the Association and its Members, (iv) hire any additional employees or enter into any service or maintenance contract for work not covered by contracts in existence on the date of the Closing of Title to the first Unit or, (v) borrow money or otherwise create a security interest on behalf of the Association or on any portion of the Association property or, (vi) increase or decrease the services or maintenance of the Association as set forth in the proposed first year budget of the Association, the Declaration of Covenants and Restrictions or the By-Laws or otherwise provide services in excess of those contemplated by the proposed first year budget or elsewhere in the Offering Plan or any amendments thereto, or, (vii) purchase any materials, equipment or other goods costing in excess of $50,000, or (viii) increase the Maintenance Charges of the Association more than ten (10%) percent from the prior year's budget, unless required by law, emergency, municipal agency, the health and safety of the Association and its Members or if documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Association funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

So long as there are any Unsold Residential Units in the Development, the Board of Directors, Members, and the Residential Unit Owners shall not take any action that will interfere, impair or adversely affect the rights of the Sponsor to sell and construct any Unsold Residential Units.

Notwithstanding anything to the contrary contained in this Declaration of Covenants and Restrictions and/or the By-Laws, no Managing Agent, Board of Directors, nor any agent, member, or representative thereof, shall prevent, impede, or interfere with the sale or transfer of any Residential or Non-Residential Unit or the rental

of any Residential or Non-Residential Unit by the Declarant, its successor(s), assignee(s), and/or designee(s), nor shall any charge or fees (including transfer fee, flip tax, and/or application fees) be imposed on the Declarant, its successor(s), assignee(s), and/or designee(s), by any Managing Agent or the Board of Directors, or any agent, member, or representative thereof, regarding any sale or transfer of a Residential Unit or rental of a Residential Unit by Declarant, its successor(s), assignee(s), and/or designee(s).

Notwithstanding the above provisions, Sponsor will not exercise veto power over expenses described in the projected budget for the first year of operation of the Association, or over expenses required:

(i) to comply with applicable laws or regulations;
(ii) to remedy any notice of violation;
(iii) to remedy any work order by an insurer; or
(iv) necessary for the preservation or safety of the Community or for the safety of occupants of the Community or required to avoid the suspension of any necessary service to the Community.

This subparagraph (c) may not be amended without the written consent of the Sponsor.

Section 8. Compensation.

Directors and Officers, as such, shall receive no compensation for their services.

Section 9. Meetings.

(a) The first meeting of each Board of Directors newly elected by the Members or appointed by the Sponsor shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the Annual Meeting of Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board of Directors shall be set.

(b) Regularly scheduled meetings of the Board of Directors may be held without special notice.

(c) Special meetings of the Board of Directors may be called by the President on two (2) days notice to each Director either personally, or by first class mail or by electronic mail. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Directors.

(d) At all meetings of the Board of Directors, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by Statute or by the Declaration of Covenants and Restrictions or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present.

(e) Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by the Director of the time and place thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

(f) Individual Directors of the Board of Directors may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 10. Annual Statement.

The Board of Directors shall furnish to all Members within four (4) months of the end of each fiscal year and shall present annually and when called for by a vote of the Members at any Special Meeting of the Members, a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement provided by an independent certified public accountant or a public accountant and a statement regarding any taxable income attributable to the Members and a notice of the holding of the Annual Meeting of Association Members. During the period the Sponsor retains a majority of the Board of Directors of the Association the annual statement shall be required to be in the form of a certified annual statement by a qualified certified public accountant.

Section 11. Fidelity Bonds.

The Board of Directors shall require that all Officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an Association Common Expense of the Association.

Section 12. Annual Reports Required By Section 519A of the Not-For Profit Corporation Law.

(a) Each Director of the Board of Directors shall be required to receive a copy of Section 519-A of the Not-For-Profit Corporation Law.

(b) The Board of Directors shall provide an annual report to the Members of the Association, which shall be signed by each such member of the Board of Directors, containing information on any contracts made, entered into, or otherwise transaction pursuant to section seven hundred fifteen of the Not-For-Profit Corporation Law of the State of New York.

(c) The annual report required in subsection (b) of this Section 12 shall include, but not be limited to, the following:

(i) a list of all contracts voted on by the Board of Directors, including information on the contract recipient, contract amount, and the purpose of entering into the contract;

(ii) the record of each meeting including Board Directors attending, voting records for contracts, and how each Director voted on such contracts; and

(iii) the date of each vote on each contract, and the date the contract would be and remain valid.

(d) If the annual report required by Subsection (b) of this Section 12 would, notwithstanding the requirements of this Section contain no information because of the absence of any actions taken by the Board of Directors that would otherwise qualify for inclusion in such annual report, then the Board of Directors shall instead submit to the Residential Unit Owners a document signed by each Director of the Board of Directors indicating: “No actions taken by the Board of Directors were subject to the annual report required pursuant to Section 519-A of the Not-For-Profit Corporation Law.”

ARTICLE IX. OFFICERS

Section 1. Elective Officers.

The Officers of the Association shall be elected by the Board of Directors and shall consist of a President, a Vice President, a Secretary and a Treasurer. All Officers must be either Directors of the Board of Directors or Members of the Association except for the President who must be a Director of the Board of Directors and except as provided in Article IX, Section 3 of these By-Laws. Two or more offices may be held by the same person, except for the President who may only hold the office of President.

Section 2. **Election.**

The Board of Directors, at its first meeting after each Annual Meeting of Association Members, shall elect a President, a Vice President, a Secretary and a Treasurer. Only the President must be a member of the Board of Directors.

Section 3. **Appointive Officers.**

The Board of Directors may appoint such other Officers and agents, including Assistant Secretaries and Assistant Treasurers, as it shall deem necessary that shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Such appointee Officers do not need to be Members of the Association.

Section 4. **Term.**

The Officers shall hold office for a period of one year or until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the Board of Directors, provided prior notice was given to all Directors of the Board of Directors that this item was on the agenda for such meeting. If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. **The President.**

The President shall be the chief executive officer of the Association; the President shall preside at all meetings of the Association Members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board of Directors are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. **The Vice President.**

The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. **The Secretary.**

The Secretary and/or Assistant Secretary shall attend all sessions of the Board of Directors and all meetings of Association Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for

the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of Association Members and Special Meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision the Secretary shall be.

Section 8. **The Treasurer.**

The Treasurer and/or Assistant Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association including the vouchers for such disbursements, and shall deposit all monies, and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. These duties may also be exercised by the Managing Agent, if any. However, such Managing Agent shall not replace the Treasurer.

The Treasurer shall disburse the funds of the Association as the Treasurer may be ordered by the Board of Directors, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meeting of the Board of Directors or whenever they may require it, an account of all the Treasurer's transactions as Treasurer, and of the financial condition of the Association.

The Treasurer shall keep detailed financial records and books of account of the Association, including a separate account for each Member, which among other things, shall contain the amount of each assessment, the date when due, the amount paid thereon and the balance remaining unpaid.

Section 9. **Agreements, etc.**

All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

ARTICLE X. NOTICES

Section 1. **Definitions.**

Whenever under the provisions of the Declaration of Covenants and Restrictions or of these By-Laws, notice ("Notice") is required to be given to the Board of Directors, any Manager of the Board of Directors or any Member, Notice ("Notice") shall be provided by first class mail, courier service, facsimile telecommunications or by electronic mail to the respective party. If mailed, such Notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Member at the Member's address as it appears on the record of Member, or, if the Member shall have filed with the Secretary or designated agent a written request that Notices to the Member be mailed to some other address, then directed to the Member's such other address. If the Notice is sent by facsimile telecommunication or mailed electronically,

such Notice is given when directed to the Member's fax number or electronic mail address as it appears on the record of the Members, or, to such fax number or other electronic mail address as filed with the Secretary or designated agent. Notwithstanding the foregoing, such Notice shall not be deemed to have been given electronically (1) if the Secretary or designated agent of the Board of Directors is unable to deliver two consecutive Notices to the Member by facsimile telecommunication or electronic mail; or (2) the Secretary or the designated agent of the Board of Directors otherwise becomes aware that Notice cannot be delivered to the Member by facsimile telecommunication or electronic mail. In such an event, the Board of Directors shall send a Notice by first class mail.

Section 2. Service of Notice Waiver.

Whenever any notice is required to be given under the provisions of the Declaration of Covenants and Restrictions, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE XI. MAINTENANCE CHARGES

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The creation of the lien and personal obligation of Maintenance Charges and Special Assessments is governed by Section 1 of Article VIII of the Declaration of Covenants and Restrictions.

Section 2. Purpose of Maintenance Charges.

The purpose of Maintenance Charges and Special Assessments is as specified in Section 2 of Article VIII of the Declaration of Covenants and Restrictions.

Section 3. Basis of Maintenance Charges.

The basis of the Maintenance Charges and Special Assessments is as specified in Section 3 of Article VIII of the Declaration of Covenants and Restrictions.

Section 4. Date of Commencement of Maintenance Charges: Due Dates.

The date of commencement and the due dates of Maintenance Charges and Special Assessments are as specified in Section 4 of Article VIII of the Declaration of Covenants and Restrictions.

Section 5. **Effect of Non-Payment of Maintenance Charges: Remedies of the Association**.

The effect of non-payment of Maintenance Charges and Special Assessments and the remedies of the Association shall be as specified in Section 5 of Article VIII of the Declaration of Covenants and Restrictions.

Section 6. **Subordination of Lien to Mortgages.**

The lien of the Maintenance Charges and Special Assessments provided for herein shall be subordinated pursuant to the provisions of Section 5 of Article VIII of the Declaration of Covenants and Restrictions.

Section 7. **Checks.**

All checks or demands for money and notes of the Association shall be signed by the President and Treasurer or by such other Officer or Officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8. **Operating Account.**

There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special Maintenance Charges as fixed and determined for all Members. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the community.

Section 9. **Other Accounts.**

The Board of Directors shall maintain any other accounts it shall deem necessary to carry out its purposes including a working capital account and a reserve fund account.

ARTICLE XII. INSURANCE

The insurance the Board of Directors is required to obtain and maintain on behalf of the Association shall be as provided for in Section 1, Article X of the Declaration of Covenants and Restrictions.

ARTICLE XIII. AMENDMENTS

Except as otherwise provided, these By-Laws may be altered, amended or added to at any duly called meeting of Association Members provided: (1) that the

notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of at least sixty six and two-thirds ($66^{2}/_{3}^{rds}$) of the total Members whose Units are then subject to the Declaration subject to the following:

a) No amendment shall be passed which will affect or impair the validity of a Class A Member's interest in a Residential Unit.

b) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor, as the Class B Member, its successor, assignee and/or designee or any Unsold Residential Unit, as long as the Sponsor, its successor, assignee and/or designee owns an Unsold Residential Unit in the Association unless Sponsor, successor, assignee and/or designee has given its prior written consent thereto. This provision is not subject to amendment.

c) No Amendment to the By-Laws shall be passed which shall impact the Non-Residential Units in 140 Boardwalk without the written consent of the Non-Residential Unit Owners.

d) The Board of Directors shall have the right to amend these By-Laws without the consent of the Members to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors, to comply with any Federal, State or local law and/or regulation.

e) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of a mortgagee.

f) In the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Members that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; method of assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of The Properties; responsibility for maintenance and repairs; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project except as provided for in Article V, Section 2 of the Declaration of Covenants and Restrictions; insurance or fidelity bonds; imposition of any restrictions on a Class A Member's right to sell or transfer the Class A Member's Residential Unit; a decision by the Association to establish self management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after

substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to these By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Association a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

g) The Sponsor shall have the right to amend the By-Laws without the consent of the Members or the Board of Directors to (a) make corrections that are patent errors, inconsistencies, scrivener's errors, technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA"), State of New York Mortgage Agency ("SONYMA") and/or any other Federal, State or Local Funding Agencies, or (c) to reduce the Sponsor Control Period of the Board of Directors.

ARTICLE XIV. SELLING, LEASING AND GIFTS OF UNITS

Members' Residential Units may be conveyed and/or leased by a Residential Unit Owner subject to the applicable provisions contained in each condominium and/or Permitted Residential Community that is subject to the Declaration of Covenants and Restrictions.

ARTICLE XV. INDEMNIFICATION

Section 1. Indemnification to Officers and Directors.

To the fullest extent allowed by law, the Association shall indemnify any person, made a party to an action by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or her, his or her testator or, intestate, is or was or has agreed to become a Director or Officer of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by the Director or Officer in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such Director or Officer is adjudged to have breached the Director's or Officer's duty to the Association, as such duty is defined in Section 717 of the Not-For-Profit Corporation Law. To the extent allowed by law, the

Association shall also indemnify any person, made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the Association to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation, domestic or foreign, which he or she served in any capacity at the request of the Association by reason of the fact that he or her, his or her testator or intestate was a Director or Officer of the Association or served it in any capacity against judgment, fines, amounts paid in settlement, and reasonable attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such Director or Officer acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Association and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

Section 2. **Indemnification to Employees and Agents.**

The Association may, to the extent authorized from time to time by the Board of Directors or by a committee comprised of Directors of the Board of Directors, provide indemnification to employees or agents of the Association who are not Officers or Directors of the Association with such scope and effect as determined by the Board of Directors, or such committee.

Section 3. **Indemnification to Others.**

The Association may indemnify any person to whom the Association is permitted by applicable law to provide indemnification or the advancement of expenses, whether pursuant to rights granted pursuant to, or provided by, the New York Not-For-Profit Corporation Law or other rights created by (i) a resolution of the Members, (ii) a resolution of Directors, or (iii) an agreement providing for such indemnification, it being expressly intended that these By-Laws authorize the creation of other rights in any such manner.

Section 4. **Other Rights.**

The right to be indemnified and to the reimbursement or advancement of expenses incurred in defending a proceeding in advance of its final disposition authorized by this Article XV shall not be exclusive of nor limit any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, By-Laws, agreement, vote of Members or disinterested Directors or otherwise.

Nothing contained in this provision shall limit any right to indemnification to which any Director or any Officer may be entitled to contract or under any law now or hereinafter enacted.

ARTICLE XVI. RULES AND REGULATIONS

The use of a Residential Unit by a Class A Member or other occupant shall be subject to the provisions of the Declaration of Covenants and Restrictions, the By-Laws and the Rules and Regulations of the Association contained in Exhibit C of the Declaration of Covenants and Restrictions as they may be promulgated, amended, altered, modified, waived, repealed, added to, or changed in any other manner by the Board of Directors and any Rules and Regulations and provisions in the Declaration of Condominium and By-Laws of any Condominium regime or declaration or by-laws of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions.

ARTICLE XVII. ARBITRATION

Section 1. Procedure.

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Association Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the local jurisdiction of the Association in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the local jurisdiction of the Association before one arbitrator appointed, upon the application of any party by the Real Estate Board of Directors of New York.

Section 2. Variation by Agreement.

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Association Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as “New York Simplified Procedure for Court Determination of Disputes.”

Section 3. Binding Effect.

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Costs and Expenses.

The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Association Board of Directors in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE XVIII. GENERAL PROVISIONS

Section 1. Fiscal Year.

The fiscal year of the Association shall be fixed by resolution of the Board of Directors and unless otherwise specified shall be based on the calendar year.

Section 2. Seal.

The Association seal shall have inscribed thereon the name of the Association and the year of its incorporation under the laws of the State of New York. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. Architectural Control.

No balcony or terrace, or change or alteration to the interior of any Residential Unit in any Condominium regime or other Permitted Residential Community subject to the Declaration of Covenants and Restrictions, which shall affect the structural soundness of the Building that the Residential Unit is located in shall be commenced, erected, replaced, repaired or maintained upon The Properties (including all Condominium regimes or other Permitted Residential Community subject to the Declaration of Covenants and Restrictions), be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to, and approved in writing, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors and/or the Sponsor. The provisions of this paragraph shall not apply to the Sponsor. A two-thirds (⅔) majority of a quorum of the Board of Directors or Architectural Committee shall be required for approval of all of the above items.

The make-up and procedures applicable to an Architectural Committee is as follows:

(a) Members of Architectural Committee. The Architectural Committee shall consist of three (3) members; provided, however that such number may be increased or decreased by resolution of the Board of Directors. The Architectural Committee shall be initially composed of three (3) persons, each of whom shall be a representative of Sponsor. After the First Annual Meeting of the Association at least one (1) member of the Architectural Committee shall be a Residential Unit Owner in the Development (other than a representative of Sponsor).

(b) Rights of Appointment.

1. By Sponsor. Sponsor shall have the right to appoint a majority of the members of the Architectural Committee until the last Residential Unit in all Phases of the Development has Closed Title.

2. By the Board of Directors. The Board of Directors shall have the right to appoint those members of the Architectural Committee which Sponsor is not authorized to appoint until such time as Sponsor's rights of appointment have expired, and thereafter the Board of Directors shall have the right to appoint and remove all members of the Architectural Committee. Architectural Committee members appointed by the Board of Directors shall serve for a term of one (1) year or until their respective successors are appointed.

3. Notice of Appointment. Whenever an Architectural Committee member is appointed or removed while both Sponsor and the Board of Directors have rights of appointment, written notice of such appointment or removal shall be given by the appointing party to the other party.

(c) Plans and Specifications. The Architectural Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, and description or samples of exterior material and colors prepared by a licensed professional engineer or registered architect. Until receipt by the Architectural Committee of any required plans and specifications, the Architectural Committee may postpone review of any plan submitted for approval. Decisions of the Architectural Committee and the reasons therefore shall be transmitted by the Architectural Committee to the Applicant at the address set forth in the application for approval, within sixty (60) days after receipt by the Architectural Committee of all materials required by the Architectural Committee. Any application submitted pursuant to this Section shall be deemed approved, unless written denial or a request for additional information or materials by the Architectural Committee shall have been transmitted to the Applicant within sixty (60) days after the date of receipt by the Architectural Committee of the Applicant's most recent submission.

(d) Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

1. The Architectural Committee or its duly authorized representative may at any time inspect any work for which approval of plans is required under this Article XVII, Section 3. However, the

Architectural Committee's right of inspection of the work for which plans have been submitted and approved shall terminate sixty (60) days after the work has been completed and the respective Residential Unit Owner has given written notice to the Architectural Committee of its completion. The Architectural Committee's rights of inspection shall not terminate pursuant to this paragraph if plans for the work have not previously been submitted to and approved by the Architectural Committee. If, as a result of such inspection, the Architectural Committee finds that the work was done without obtaining approval of the plans therefore or was not done in substantial compliance with the plans approved by the Architectural Committee, it shall notify the Residential Unit Owner in writing of his or her failure to comply with this Section within sixty (60) days from the inspection, specifying the particulars of noncompliance. The Architectural Committee shall have the authority to require the Residential Unit Owner to take such action as may be necessary to remedy the noncompliance.

2. If upon the expiration of sixty (60) days from the date of such notification, the Residential Unit Owner has failed to remedy the noncompliance, the Architectural Committee shall notify the Board of Directors in writing of such failure. Upon Notice and Hearing, the Board of Directors shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Residential Unit Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date that notice of the Board of Directors ruling is given to the Residential Unit Owner. If the Residential Unit Owner does not comply with the Board of Directors ruling within that period, the Board of Directors, at its option, may take whatever action it may have at law, in equity or in the Declaration of Covenants and Restrictions or By-Laws including, without limitation, correcting or removing the non-compliance and charging the cost of all necessary work to correct or remove the noncompliance and all reasonable legal fees to the Residential Unit Owner as an additional Maintenance Charge.

(e) Common Elements. In addition to the requirements contained in the Architectural Control Provisions in Article XVII, Section 3 hereof, a Residential Unit Owner is required to comply with any provisions regarding any changes to a Residential Unit required in any Declaration of Condominium, By-Laws, or Rules and Regulations of a Condominium, or in the declaration, by-laws, or rules and regulations of any Permitted Residential Community that are subject to the Declaration of Covenants and Restrictions.

(f) Additional Requirements. No Residential Unit Owner will make any change pursuant to this Article XVII, Section 3 in or to The Properties, any Residential Unit or any Limited Common Element without first (i) obtaining and maintaining during the course of such work such insurance as the Board of Directors may reasonably prescribe and providing the Board of Directors with a certificate of insurance prior to the commencement of the work, (ii) executing and delivering to the Board of Directors an agreement, in form and substance reasonably satisfactory to the Board of Directors, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (iii) executing and delivering to the Board of Directors an agreement indemnifying and holding harmless the Board of Directors, the Board of Managers of the respective Condominium or Board of any Permitted Residential Community, their members, managers and Officers, and all Residential Unit Owners from and against any liability, cost or expense arising out of or connected to such work and (iv) obtaining all approvals as necessary from the City of Long Beach, Nassau County, State of New York or any other municipal or governmental agency. In the event the Board of Directors chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the Residential Unit Owner's alterations, additions or improvements. In the event the Declaration of Condominium, By-Laws or Rules and Regulations of any Condominium regime or the declaration, by-laws or rules and regulations of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions has additional requirements to make any additions, alterations or improvements to a Residential Unit, the Residential Unit Owner shall be subject to said requirements as well as the requirements of this Article XVII, Section 3.

(g) Governmental Applications. Any application made to any department of the City of Long Beach, Nassau County, State of New York or any other governmental or municipal authority for a permit to make an addition, alteration or improvement in or to any Residential Unit shall be completed by the Residential Unit Owner and executed by the Board of Directors only, without however, incurring any liability on the part of the Board of Directors 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.

(h) Sponsor. These provisions of Article XVII, Section 3 shall not apply to Residential Units owned by the Sponsor or its designee until such

Residential Units shall have been initially conveyed by the Sponsor or such designee to a Residential Unit Owner.

Section 4. Examination of Books and Records.

Every Member or Member's representative and mortgagee shall be entitled to examine the books and records of the Association on reasonable notice to the Board of Directors at convenient hours on weekdays (except legal holidays) but not more often than once a month. Said hours are to be determined by the Board of Directors or any Managing Agent.

Section 5. Construction.

Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires.

In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate shall control; and in the case of any conflict between the Declaration of Covenants and Restrictions and these By-Laws, the Declaration of Covenants and Restrictions shall control.

Section 6. Severability.

Should any of the covenants, terms or provisions herein imposed be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

SCHEDULE J-4

ASSOCIATION RULES AND REGULATIONS

RULES AND REGULATIONS OF THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Developer
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EXHIBIT C
TO THE DECLARATION OF COVENANTS AND RESTRICTIONS

SCHEDULE K-4
OF THE OFFERING PLAN

RULES AND REGULATIONS

Section 1. General

(a) The Residential Unit and any area restricted to the Class A Member's use shall be maintained in good repair and overall appearance.

(b) Any Residential Unit Owner who mortgages or sells their Residential Unit shall immediately notify the Board of Directors providing the name and address of the mortgagee or new Residential Unit Owner.

(c) The Board of Directors shall, at the request of the mortgagee of the Residential Unit, report any delinquent Maintenance Charges and/or Special Assessments due from the Class A Member Residential Unit Owner of such Residential Unit.

(d) No nuisances shall be allowed upon The Properties nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of The Properties by its residents.

(e) No improper, offensive, or unlawful use shall be made of The Properties or any part thereof, and all valid laws, zoning ordinances, the regulations of all governmental bodies having jurisdiction thereof, shall be observed.

(f) Regulations promulgated by the Board of Directors concerning the use of The Properties shall be observed by the Class A Members and all residents of the Community.

(g) The Maintenance Charges shall be paid when due.

(h) No resident of the Community shall post any signs, advertisements or posters of any kind including "for sale" or "for rent" signs in or on their Residential Units or the Common Elements of each Condominium regime or common areas of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions or on The Properties, except as authorized and approved by the Board of Directors.

(i) No Residential Unit Owner shall move, remove, add or otherwise change the landscaping on The Properties.

(j) No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of the Class A Member's Residential Unit.

(k) Commercial license plate vehicles including trucks, trailers, vans, and similar types of vehicles may not be parked in or on The Properties overnight, except as may be permitted by the Board of Directors of the Association upon prior written notice of at least ten (10) days.

(l) No person shall park or store any boat, trailer, off-track vehicle, camper, bus, snowmobile, jet skis or other recreational vehicle on The Properties, except as may be permitted by the Board of Directors of the Association upon prior written notice of at least ten (10) days.

(m) No person shall park an automobile, boat, trailer, off-track vehicle, camper, bus, truck, snowmobile or other commercial or recreational vehicle (collectively "Vehicles") or otherwise obstruct any Residential Unit Owner's use of ingress or egress to any driveway, or parking space in the Garage or otherwise on the Property, nor may any Vehicle be parked on The Properties except for automobiles in designated parking areas. Automobiles shall include all vehicles having passenger license plates.

(n) Any person parking a Vehicle illegally shall be subject to their Vehicle being towed and/or the Association imposing a fine. In the event a Vehicle is towed, all costs associated with the removal of the Vehicle shall be paid for by the owner of the Vehicle and the Association shall not be held responsible for any damage to the Vehicle.

(o) No repair of a Vehicle as referred in (m) above shall be made in any of the roadways, driveways, or parking areas of The Properties, nor shall such areas be used for storage or overnight parking of any Vehicle as referred to in (m) above, except for a Residential Unit Owner's or Non-Residential Unit Owner's permitted residents', and the Residential Unit Owner's and Non-Residential Unit Owner's tenants' automobiles, without the written permission of the Board of Directors of the Association. Automobiles shall include SUV's, crossovers, station wagons or other similar types of Vehicles.

(p) All Residential Unit Owners, Non-Residential Unit Owner, and other permitted residents and tenants will be required to register each of their Vehicles with the Board of Directors of the Association.

(q) No Vehicle of any kind is permitted to be ridden or driven on any portion of The Properties except in the roadways.

(r) No person shall be permitted to use The Properties of the Association except in accordance with the Rules and Regulations established by the Association's Board of Directors.

(s) The Properties shall not be obstructed, littered, defaced, or misused in any manner.

(t) No Residential Unit Owner may install or change the door on a Residential Unit Owner's Residential Unit other than a style, color and make approved by the Board of Directors.

(u) Every Class A Member shall be liable for any and all damage to the Common Area of the Association, the Common Elements of each Condominium regime, and common area of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions, which shall be caused by said Class A Member, its tenants and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Class A Member is legally responsible.

(v) Nothing shall be done or kept on The Properties which will increase the rate of insurance of the Common Area of the Association, Common Elements of each Condominium regime, or common area of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions or contents thereof without the prior written consent of the Board of Directors. No Class A Member shall permit anything to be done or kept on The Properties which will result in the cancellation of insurance of the Association or which would be in violation of any law.

(w) The agents of the Board of Directors or the managing agent, and any contractor or workmen authorized by the Board of Directors or the managing agent, may enter any Residential Unit at any reasonable hour of the day for the purpose of performing any work authorized pursuant to the Declaration of Covenants and Restrictions and By-Laws of the Association and/or any Declaration of Condominium and By-Laws for any Condominium regime and any declaration and by-laws of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions.

(x) Planting of fruits or vegetables is absolutely prohibited in or on any portion of The Properties.

(y) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Directors or the Managing Agent with respect to services provided and management of the Community.

(z) Any consent or approval given under these Rules and Regulations may be added to, amended, or repealed at any time by resolution of the Board of Directors.

(aa) Developer shall have the right to display signs for promotional, sales, exhibit and administrative purposes upon any portion of The Properties or upon any Unsold Residential Unit for any Condominium or Permitted Residential Community subject to the Declaration of Covenants and Restrictions and for any other property, development, or community the Declarant, its successors, assigns or designees so prescribe. Developer shall have the right, the foregoing notwithstanding, to place permanent signs on Residential Units of its choice, at sites chosen by Developer. Developer shall also have the right to install fencing and walls on the Residential Units at perimeter sites chosen by Developer. No Residential Unit Owner (other than Developer) or tenant or other person on the premises shall remove, alter, change, interfere with or tamper with, in any way, said signs, walls or fences, which shall be maintained in good condition by the Association and its Board of Directors. The cost of such maintenance shall be treated as a Common Maintenance Charge.

Section 2. Violations of Rules and Regulations

(a) Upon receipt, by the President of the Board of Directors or by the Managing Agent, of a signed written complaint alleging violation of any of the Rules and Regulations or other provisions of the By-Laws or the Declaration of Covenants and Restrictions as herein established or hereafter established or adopted by the Board of Directors, the Board of Directors shall make a determination as to the validity of the complaint.

(b) If, it is determined that the complaint is valid and justified the Managing Agent, if any, or the Board of Directors, if no Managing Agent, shall be directed to send written notice to the Class A Member levying a fine or up to one hundred and fifty ($150) dollars upon the Class A Member and instructing the Class A Member to stop, curtail, correct or eliminate the violation, if applicable, within a period of three (3) days from the date of receipt of such notice. Such fine is to be considered as an additional Maintenance Charge obligation to the account of the Class A Member and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Covenants and Restrictions or By-Laws. If the violation is not stopped, curtailed, corrected or eliminated, the Board of Directors may assess additional fines of up to one hundred and fifty ($150) dollars each and may continue to levy additional fines of up to one hundred and fifty ($150) dollars every 30 days thereafter against the Class A Member. The initial fine and any additional

fines shall be cumulative. If the violation results in loss of or damage to property classified as Common Area of the Association, a Common Element of a Condominium regime, or common area of any Permitted Residential Community subject to the Declaration of Covenants and Restrictions, the Board of Directors shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the Class A Member as an additional Maintenance Charge.

(c) In addition to the right to issue fines for violations of the Rules and Regulations as provided above the Board of Directors shall be entitled to any other remedies in equity or law that may be available to the Board of Directors to enforce the Declaration of Covenants and Restrictions, the By-Laws and/or the Rules and Regulations of the Association.

Section 3. Costs

Any costs incurred by the Board of Directors to remedy or cure any violation of the Rules and Regulations, By-Laws or Declaration of Covenants and Restrictions as herein or hereafter established, shall be an additional Maintenance Charge charged to the Class A Member in addition to the fine(s) levied upon the Class A Member as described in Section 2 of these Rules and Regulations. In the event a Residential Unit Owner's tenant of a Class A Member Residential Unit Owner violates the provisions of any Rule and Regulation or any other provision of the By-Laws, fines may be levied against the tenant of a Class A Member Residential Unit Owner, and the Residential Unit Owner shall be jointly and severally liable with the tenant of a Class A Member Residential Unit Owner for the payment of same.

In the event the Association institutes successful legal action for the collection of any fines or the enforcement of any of the provisions of the applicable Declaration, By-Laws and/or Rules and Regulations of the Association, any Condominium regime or Permitted Residential Community subject to the Declaration of Covenants and Restrictions, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Association plus interest and costs of suit.

Section 4. Right to Change Rules and Regulations

(a) The Board of Directors reserves the right to rescind, alter, waive or add, as to one or more or all Class A Member Residential Unit Owners, their occupants, lessees, guests and any other person residing in a Residential Unit, any Rule or Regulation at any time prescribed for the Association without obtaining the consent of the Class A Members of the Association when, in the reasonable judgment of the Board of Directors, the Board of Directors deems it necessary or desirable for the reputation, safety,

character, security, care, appearance or interests of the Association or the preservation of good order therein, or for the operation or maintenance of the Association or the equipment thereof, or the comfort of the Residential Unit Owners, occupants or others in the Association. No rescission, alteration, waiver or addition of any Rule or Regulation in respect of one Residential Unit Owner, occupant, lessee, guest or other person residing in a Residential Unit will operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner, occupant, tenant, and/or resident.

(b) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board of Directors. Further, any such consent or approval may, in the discretion of the Board of Directors or the Managing Agent, be conditional in nature.

(c) The Board of Directors shall have the right to increase the maximum amount of a fine imposed on the Residential Unit Owners who are Class A Members of the Association. If the Board of Directors increases the maximum amount of a fine as it applies to all Residential Unit Owners who are Class A Members of the Association, it shall do so only after a notice has been sent to the Residential Unit Owners who are Class A Members of the Association advising them of the increase.

Section 5. Sponsor

The foregoing provisions shall not apply to Sponsor unless required: (a) to comply with applicable municipal laws or regulations, or (b) to remedy any notice of violation.

Section 6. Complaints

Complaints regarding the service of the Association shall be made in writing to the Board of Directors or to the Managing Agent.

Section 7. Additional Rules and Regulations

The provisions of the Rules and Regulation contained in this Exhibit “C” of the Declaration of Covenants and Restrictions of the By-Laws of the Association are in addition to any Rules and Regulation provided for in any By-Laws of any Condominium regime or Permitted Residential Community that is subject to the Declaration of Covenants and Restrictions.

SCHEDULE J-5

SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS

SUPPLEMENTARY DECLARATION

OF

COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

DECLARANT: **ISLA BLU AT LONG BEACH, LLC**
300 Jericho Turnpike, Suite 100
Jericho, New York 11753

DATE OF RECORDING
ORIGINAL DECLARATION:

DATE OF SUPPLEMENTARY
DECLARATION:

WHEREAS, the Declaration of Covenants, Restrictions, Easements, Charges and Liens of THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC. (the "Declaration"), recorded in the Office of the Clerk of Nassau County on _____, in Liber _____ at page _____ et seq., is, pursuant to the authority granted to the Declarant by the Declaration in Article II, Section 2, hereby amended as follows:

> "Pursuant to Article II, Section 2, of the above described Declaration, the Subsequent Phase described in the metes and bounds description annexed hereto as Exhibit "A," is hereby expressly brought within the scheme of the Declaration. The total number of Residential Units subject to the aforementioned Declaration is now 192."

Except as hereinabove stated, the aforesaid Declaration shall remain in full force and effect.

ISLA BLU AT LONG BEACH, LLC

By:_____
Steven Krieger, Authorized Signatory

STATE OF NEW YORK)
: ss.:
COUNTY OF NASSAU)

On the day of , in the year 20 , before me, the undersigned, personally appeared STEVEN KRIEGER, 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 the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE J-6

DEED TO THE ASSOCIATION

DEED

THIS INDENTURE made the day of , 20 , between Isla Blu at Long Beach LLC, a Delaware limited liability company having an office at 300 Jericho Turnpike, Suite 100, Jericho, New York 11753, Party of the First Part and THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC., a Not-For-Profit corporation, having an office at _____, Long Beach, Nassau County, New York, Party of the Second Part:

W I T N E S S E T H:

THAT the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable considerations, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second Part forever;

ALL that certain piece or parcel of real property, with the improvements therein contained, situate, lying and being in the City of Long Beach, Town of Hempstead, County of Nassau, and State of New York, more particularly described in Schedule A attached hereto and made a part hereof.

SUBJECT TO the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens and By-Laws of THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC., which Declaration and By-Laws is to be or has been recorded in the Office of the Clerk of Nassau County, and which Declaration reserves the right to amend the subdivision map (as defined in said Declaration) to effectuate any of the provisions contained in ARTICLE V of said Declaration, and that said Party of the Second Part will, if requested, execute, acknowledge and deliver, without charge, a deed or deeds reconveying to said Party of the First Part or to an Owner (as defined in said Declaration) any land theretofore conveyed to said Party of the Second Part, so that a revision or correction deed or deeds conforming to an amended subdivision map or amended legal description of the land may be delivered.

SUBJECT TO Covenants, Restrictions, Reservations and Easements or record.

TOGETHER with the appurtenances and all the estate and right of the Party of the First Part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second Part forever; and

The Party of the First Part covenants that the Party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid; and

The Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement before using any part of the total of the same for any other purpose.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

The words "Party of the First Part" and "grantor", and "Party of the Second Part" and "grantee" and "Association" shall be construed to include their respective grantees, heirs, executors, administrators, legal representatives, successors, and assigns.

IN WITNESS WHEREOF, the Party of the First Part has duly executed this deed the day and year first above written.

ISLA BLU AT LONG BEACH LLC.

By:_____

STATE OF NEW YORK)
: ss.:
COUNTY OF)

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

_____
Notary Public

SCHEDULE A

INSERT METES AND BOUNDS PRIOR TO RECORDING

SCHEDULE K-1

CERTIFICATION OF SPONSOR

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO 13 NYCRR 20.4 (b) and 22.4(b)

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

RE: 100 BOARDWALK CONDOMINIUM

Gentlepeople:

We are the sponsor and the principals of sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and Part 22 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where I: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,
ISLA BLU AT LONG BEACH LLC

By: Isla Blu at Long Beach Member LLC, Sole Member of Isla Blu at Long Beach LLC

By: HSRE-EB XXIII, LLC, Sole Member of Isla Blu Member at Long Beach LLC

By: EB at the Beach Corp., Member of HSRE-EB XXIII, LLC

By: _____
Steven Krieger, Authorized Signatory

SPONSOR'S PRINCIPALS:

Sworn to before me this
25 day May , 2023.

Jessica F. Colabella
Notary Public

_____
STEVEN KRIEGER

JESSICA F. COLABELLA
Notary Public, State of New York
No. 01CO6137529
Qualified in Nassau County
Commission Expires November 28, 2025

Sworn to before me this
[illegible] day , 2023.

_____
Notary Public

_____
JAN BURMAN

Sworn to before me this
25 day May , 2023.

Jessica F. Colabella
Notary Public

_____
DAVID BURMAN

JESSICA F. COLABELLA
Notary Public, State of New York
No. 01CO6137529
Qualified in Nassau County
Commission Expires November 28, 2025

Sworn to before me this
25 day May , 2023.

Jessica F. Colabella
Notary Public

JESSICA F. COLABELLA
Notary Public, State of New York
No. 01CO6137529
Qualified in Nassau County
Commission Expires November 28, 2025

_____
MICHAEL WEISS

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,
ISLA BLU AT LONG BEACH LLC

By: Isla Blu at Long Beach Member LLC, Sole Member of Isla Blu at Long Beach LLC

By: HSRE-EB XXIII, LLC, Sole Member of Isla Blu Member at Long Beach LLC

By: EB at the Beach Corp., Member of HSRE-EB XXIII, LLC

By: _____
Steven Krieger, Authorized Signatory

SPONSOR'S PRINCIPALS:

Sworn to before me this
day , 2023.

_____
Notary Public

_____
STEVEN KRIEGER

Sworn to before me this
25 day May , 2023.

Jessica F. Colabella
Notary Public

_____
JAN BURMAN

JESSICA F. COLABELLA
Notary Public, State of New York
No. 01CO6137529
Qualified in Nassau County
Commission Expires November 28, 2025

Sworn to before me this
day , 2023.

_____
Notary Public

_____
DAVID BURMAN

Sworn to before me this
day , 2023.

_____
Notary Public

_____
MICHAEL WEISS

Sworn to before me this
25 day May , 2023.

Jessica F. Colabella
Notary Public

JESSICA F. COLABELLA
Notary Public, State of New York
No. 01CO6137529
Qualified in Nassau County
Commission Expires November 28, 2025

JONATHAN WEISS

SCHEDULE K-2

CERTIFICATIONS OF SPONSOR'S ENGINEER AND ARCHITECT

MINNO ■ WASKO
ARCHITECTS AND PLANNERS

667

80 LAMBERT LANE, SUITE 105
LAMBERTVILLE, NEW JERSEY 08530
P 609.397.9009

2 GATEWAY CENTER, SUITE 1700
NEWARK, NEW JERSEY 07102
P 973.735.6695

MINNOWASKO.COM

SPONSOR'S ENGINEER OR ARCHITECT CERTIFICATION
PURSUANT TO 13 NYCRR 20.4 (c) and 13 NYCRR 22.4(c)

Date: July 24, 2023

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

RE: 100 BOARDWALK CONDOMINIUM

Gentlepeople:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I examined the building plans and specifications that were prepared by Minno & Wasko Architects and Planners dated 11/01/22 and I prepared the Report dated 07/17/2023, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect/licensed engineer in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Parts 20 and 22 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 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 examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans

and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I: (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.

Very truly yours,

MINNO + WASKO ARCHITECTS AND PLANNERS

Signature of Individual or Name of Firm

By: _____

Signature of Individual if prepared by Firm

Principal

Title or Position if prepared by Firm

Sworn to before me this
24 day of July, 2023

_____

Notary Public

DEBORAH R. MILLER
Notary Public, State of New Jersey
My Commission Expires
January 6, 2026

REGISTERED ARCHITECT
ROBERT G. JORGENSON
035827-1
STATE OF NEW YORK

NELSON+POPE
engineers • architects • surveyors

CERTIFICATION BY SPONSOR'S ENGINEER
PURSUANT TO 13 NYCRR 20.4 (c)

July 19, 2023

Department of Law
State of New York
Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street
New York, NY 10005-1413

RE: 100 Boardwalk Condominium
Nelson & Pope Job No. 15053

Gentlepeople:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I examined the building plans and specifications that were prepared by Nelson & Pope, Engineers & Surveyors, dated April 23, 2021, last revision December 13, 2021, and the Report dated July 18, 2023, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect/licensed engineer in the State in which the property is located.

I understand that I/we am/are responsible for complying with Article 23 A of the General Business Law and the regulations promulgated by the Department of Law in Parts 20 and 22 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 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 examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I 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.

Very truly yours,



Thomas C. Dixon, P.E.
Partner, N+P Engineering, Architecture and Land Surveying, PLLC (Nelson + Pope)

Sworn to before me this
19th day of July, 2023

Notary Public

Ashley L C Marciszyn
Notary Public, State of New York
No. 01MA6310007
Qualified in Suffolk County
Term Expires August 18, 2026

SCHEDULE K-3

CERTIFICATION OF ADEQUACY OF BUDGET

Black Diamond Realty

401 Franklin Avenue, Suite 104
Garden City, New York 11530
Tel: (516) 334-2146
Fax: (516) 493-9162

CERTIFICATION OF ADEQUACY OF OPERATING BUDGET PURSUANT TO 13 NYCRR 20.4 (d) and 22.4(d)

Date: July 17, 2023

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

Re: 100 Boardwalk Condominium
The Boardwalk Long Beach
Homeowners Association, Inc.

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to review Schedules B, B-1 & C containing projections of income and expenses for the first year of condominium and association operation.

Our experience in this field includes twenty years experience as a real estate broker, and property manager of commercial property and condominium associations. The principal of Black Diamond Realty has previously been involved with the management of the following residential projects: Doubleday Court Condominium, The Seasons at Elwood Homeowners Association, and The Seasons at Seaford Condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the Regulations promulgated by the Department of Law in Parts 20 and 22 insofar as they are applicable to Schedules B, B-1 & C.

We have reviewed the Schedules and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B, B-1 & C 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 and homeowner association operation.

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium and homeowner association operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium and homeowner association operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium and homeowner association operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

By:_____
Richard Cohn, President

Sworn to before me this
17th day of July, 2023

_____
Notary Public

Dina Garfield
Notary Public, State of New York
No. 01GA6214753
Qualified in Nassau
Commision Expires 12/21/2025

SCHEDULE L

SECTION 339-KK OF THE REAL PROPERTY LAW

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

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

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

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

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

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent."

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

SCHEDULE M

DRAINAGE EASEMENT AND MAINTENANCE AGREEMENT

DRAINAGE EASEMENT AND MAINTENANCE AGREEMENT

THIS AGREEMENT, entered into this ____ day of _____, 2021, by and among ISLA BLU AT LONG BEACH LLC ("Isla Blu") and THE BREEZE AT LONG BEACH LLC ("Breeze"), owners of contiguous parcels located in the City of Long Beach, County of Nassau, State of New York and identified on the Nassau County Land and Tax Map as Section 59, Block 116, Lot 39 ("Isla Blu Parcel") and Lot 40 ("Breeze Parcel"), the legal descriptions for which are set forth in Exhibit "A" attached hereto and made a part hereof (hereinafter collectively referred to as the "Property"); and

WHEREAS, the Isla Blu Parcel intends to be developed with two (2) residential condominium buildings and the Breeze Parcel intends to be developed with a multi-family rental residential building, as approved by the City of Long Beach; and

WHEREAS, the undersigned are the current owners of the Isla Blu Parcel and the Breeze Parcel (hereinafter the "Owners"); and

WHEREAS, the Owners desire to enter into an Agreement regarding the use, maintenance and repair of those certain on-site drainage improvements which are to be installed and implemented as part of the proposed development of the Property (the "Drainage Plan"), for themselves and for any future owners of the parcels, including the future Homeowner's Association for the Isla Blue Parcel; and

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Drainage Connection Easement. The Owners hereby consent and agree that the Drainage Plan for the Isla Blu Parcel and the Breeze Parcel shall be connected in perpetuity pursuant to the approved Drainage Plan for the Property, so that all on-site stormwater collected on the Isla Blu Parcel and the Breeze Parcel may utilize the capacity of on-site water storage vaults located on both Parcels, as needed.

2. Installation and Maintenance of Drainage Plan. Notwithstanding the foregoing, each of the Isla Blu Owner and the Breeze Owner shall be individually responsible for the cost of installing, maintaining and repairing those portions of the Drainage Plan located on their respective parcels. The Owners shall keep and maintain their respective drainage systems in good working order at all times and shall cooperate with each other to the extent there is any issue with the drainage improvements on either, or both parcels, which necessitates access to the adjacent property to remedy.

3. Future Owners and HOA. This Agreement shall be binding upon all future owners of individual condominium units as well as any future homeowners association created on the

Isla Blu Parcel ("Future Owners") and all Future Owners shall take ownership subject to this Agreement.

4. Effective Term. This Agreement shall be perpetual in duration and shall be deemed to encumber and run with the land.

5. Binding Agreement. This Agreement shall run with the land and shall be binding on and inure to the benefit of each of the lot Owners and their respective successors, heirs, executors, administrators and assigns.

6. Amendment. This Agreement may only be amended in writing by the Owners of the Property.

7. Choice of Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York without regard to conflict of law principles.

8. Enforcement. The Owners hereby irrevocably and unconditionally consent to personal jurisdiction and venue in New York State Supreme Court, Nassau County, for purposes of any suit, action or proceeding for the purpose of enforcing this Agreement.

9. Notices. Any notice required herein shall be sent by certified mail, return receipt requested, or by personal delivery to the addresses set forth above.

10. Invalidity. Should any provision in this Agreement be deemed invalid or unenforceable, the remainder of the Agreement shall not be affected and each term and condition shall be valid and enforceable to the fullest extent permitted by law.

11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, constitute one and the same agreement.

12. Recording. This Agreement shall be recorded in the office of the Nassau County Clerk and indexed against all Owner's lots.

[END OF TEXT – SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties executed this agreement as of the dates set forth below.

OWNERS:

ISLA BLU AT LONG BEACH LLC

By:_____
Name:
Title:

THE BREEZE AT LONG BEACH LLC

By:_____
Name:
Title:

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

On the ____ day of _____ in the year 2021 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and he/she/they acknowledged to me that he/she, they executed the same in his/her their capacity(ies), and that by his/her their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

On the ____ day of _____ in the year 2021 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and he/she/they acknowledged to me that he/she, they executed the same in his/her their capacity(ies), and that by his/her their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

SCHEDULE N

ACCESS EASEMENT AND MAINTENANCE AGREEMENT

ACCESS EASEMENT AND MAINTENANCE AGREEMENT

THIS ACCESS EASEMENT AND MAINTENANCE AGREEMENT, (the "Agreement") entered into this ____ day of _____, 2022, by and among THE BREEZE AT LONG BEACH LLC, a Delaware limited liability company with an address of 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 ("Grantor"), ISLA BLU AT LONG BEACH LLC, a Delaware limited liability company with an address of 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 ("Fee Owner"), ISLA BLU CONDOMINIUM I and ISLA BLU CONDOMINIUM II, each a condominium association with address of 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 (the "Condo Associations") and ISLA BLU HOMEOWNER'S ASSOCIATION, INC., with an address of 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 (the "HOA" together with Condo Associations and Fee Owner, the "Grantee") (Grantor, and Grantee sometimes referred to as the "Parties").

WHEREAS, Grantor is the owner of that certain parcel of land located in the City of Long Beach, County of Nassau, State of New York and identified on the Nassau County Land and Tax Map as Section 59, Block 116, Lot 40 ("Grantor Parcel"), as more specifically set forth in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, Fee Owner is the owner of that certain parcel of land located in the City of Long Beach, County of Nassau, State of New York and identified on the Nassau County Land and Tax Map as Section 59, Block 116, Lot 39 ("Grantee Parcel"), as more specifically set forth in Exhibit "B", attached hereto and made a part hereof; and

WHEREAS, ISLA BLU CONDOMINIUM I and ISLA BLU CONDOMINIUM II are the Condominium Associations for the Grantee's Parcel, respectively and ISLA BLU HOMEOWNER'S ASSOCIATION is the homeowner's association for Grantee's Parcel; and

WHEREAS, Grantor's Parcel and Grantee's Parcel are contiguous parcels and are being developed simultaneously with a multi-level parking structure spanning both properties and a common roadway for ingress and egress which shall be located entirely on Grantor's Parcel and is more particularly described in Exhibit "C", attached hereto and made a part hereof (the "Shared Roadway"); and

WHEREAS, in consideration of the sum of Ten Dollars and other valuable consideration the sufficiency of which is hereby acknowledged, the Parties desire to enter into this Agreement regarding the use, maintenance and repair of the Shared Roadway, as well as other ancillary shared maintenance expenses among the Parties (as more particularly described herein), for themselves and for future owners of the individual condominium units and any additional or affiliate Condominium Associations and/or HOA's; and

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Grant of Easement over Shared Roadway. Grantor hereby grants to Grantee, its successors and assigns, individual condominium owners, residents, and each of their respective agents, employees, guests, invitees, licensees as well as a non-exclusive vehicular and pedestrian easement and right to enter upon, freely pass over, through and across the Shared Roadway, as shown on the site plan annexed hereto as Exhibit "C" in order to access Grantee's Parcel (the "Shared Roadway Easement Area").

2. Installation and Maintenance of Shared Roadway. Grantor shall perform the initial construction and installation of the Shared Driveway and upon completion of same, Grantor and the HOA (on behalf of the Grantee entities), shall share in the costs of maintaining and repairing the Shared Roadway on an equal 50/50 basis as further described herein. In the event the HOA fails to pay its share of costs as provided in this Agreement, the remaining Grantee entities shall be responsible, jointly and severally, for payment of same to Grantor. Grantor shall perform all necessary maintenance and repairs to the Shared Roadway in accordance with this Agreement and Grantor shall have the right to enter upon Grantee's Parcel to the extent necessary to perform same, including, but not limited to, the garage entrance ramp to Grantor's Parcel from the Shared Roadway. Nothing herein shall prohibit Grantor from performing or causing to be performed any necessary emergency repairs to the Shared Roadway provided that: (i) accessibility to the Shared Roadway for pedestrian and vehicular traffic is not unreasonably restricted thereby, unless a complete closure of the Shared Roadway is required, in which case Grantee shall access their property via the entrance on Riverside Boulevard; (ii) all construction work performed in connection therewith shall be performed with due consideration to the occupants of Grantee's Parcel, and (iii) such change, modification, alteration, expansion, addition or demolish and all construction work performed in connection therewith, shall comply with all applicable legal requirements.

3. Maintenance of Ancillary Improvements. Grantee hereby grants Grantor its successors and assigns, and its agents, employees and contractors an exclusive easement and right to maintain the landscaping, sidewalks (including snow removal), lighting, signage and other improvements located along the frontages of Broadway and Riverside Boulevard as more specifically shown on the plan annexed hereto as Exhibit "D", (the "Maintenance Easement Area"). The HOA (on behalf of the Grantee entities and subject to the continuing responsibilities of the remaining Grantee entities described in Paragraph 2 above), shall make payment to Grantor for any and all out-of-pocket costs and expenses associated with its upkeep of the Maintenance Easement Area as well as an administrative fee in the initial amount of One Thousand ($1,000.00) per month to act as the Site Operator, as further described in Section 4 herein.

4. Appointment of Site Operator. (a) Grantor, or an affiliate thereof to be chosen by Grantor, shall be designated as the "Site Operator" under this Agreement and shall be responsible for the care, maintenance and repair of: (i) the Shared Roadway, including, without limitation, all curbs, lighting standards, traffic and directional signs, and traffic striping and markings, (ii) the Maintenance Easement Area (as hereinafter defined) and (iii) all the landscaped and planted areas, lighting systems and signage located on the Shared Roadway and the Maintenance Easement Area (collectively referred to as the "Easement Areas"). In furtherance of the foregoing, Grantee shall obtain approval from the Site Operator for any and all signage within the Easement Areas and bear all costs associated with signage for Grantee Parcel. Site Operator shall be responsible for: (i) keeping the Easement Areas free and clear of snow, ice and rubbish and including the right to tow any unauthorized vehicles from the Shared Roadway which are obstructing traffic or otherwise causing an unsafe condition; (ii) maintaining repairing, altering, adding to, replacing, reconfiguring, restoring, reconstructing and resurfacing the road surfaces, sidewalks, walkways, curbs, gutters, grates, sewers, street lighting or other improvements within the Easement Areas; (iii) maintaining the landscaping (including landscaping of hedges, trees, shrubs, flowers and plantings, and the planting, maintenance, trimming, cleaning or removing of trees) within the Easement Areas; and (iv) providing adequate drainage for the Shared Roadway.

(b) The Site Operator shall, on a monthly basis, provide to the HOA, on behalf of the Grantee, an invoice for Grantees proportionate share of the common expenses for maintaining the Easement Areas hereunder. Grantor and HOA (on behalf of the Grantee entities) shall pay their proportionate shares to the Site Operator within fifteen (15) days after receipt of said invoices. The amount of such monthly payment for the calendar year in which this agreement commences shall be based upon the Site Operator's estimate.

(c) The Site Operator's obligations under this Agreement shall commence when the Grantor, or its designee, provides notice to Grantee that construction of the Shared Roadway and all ancillary improvements have been completed. Commencing on the second calendar year following the calendar year the Shared Roadway and all ancillary improvements have been completed, such estimate shall be the greater of: (x) the Site Operator's estimate and (y) 105% of the previous year's expenses. Within ninety (90) days subsequent to the end of each calendar year, Site Operator shall furnish to the Parties a statement and calculation of the actual amount of common expenses for such immediately succeeding calendar year. If the total amount paid hereunder for any calendar year shall be less than the actual amount due for such year as shown on such statement, the Parties shall pay to Site Operator the difference over the following three (3) month period after the furnishing of such statement. If the total amount paid by the Parties hereunder for any calendar year shall exceed the amount actually due as shown on such statement, such excess shall be credited against the next payment due from the Parties. A Parties failure to

object to any estimate and/or invoices by providing written notice of objection to the Site Operator within thirty (30) days of receiving same shall constitute an acceptance of same and such Party shall waive its right to object to same.

(d) Site Operator agrees that it will keep in its office books and records showing all common expenses for the Easement Areas.

(e) If either Party shall default in the performance of any of its obligations contained in this agreement, the Site Operator shall be entitled to recover, from such Party, all reasonable attorney's fees, court costs and disbursements incurred by the Site Operator in enforcing this agreement. If there is any other litigation between the Parties arising out of the subject matter of this agreement, the prevailing party in such action shall be entitled to recover, from the other Party, all reasonable attorney's fees, court costs and disbursements incurred by the prevailing party.

5. Indemnification. The Parties shall indemnify defend and hold their respective officers, agents and employees and their respective successors and assigns, free and harmless from and against any and all claims, liabilities and losses of whatsoever nature, whether caused by Parties or any of Parties officers, agents, representatives, employees, guests, business invitees and/or contractors, including, but not limited to claims for death and personal injury or property damage, including injury or damage to the aforesaid indemnities and/or their respective properties, caused by, happening in connection with, or arising directly or indirectly out of the initial or any subsequent exercise or enjoyment of the easements and/or any other rights granted hereunder.

6. Insurance. (a) Grantee shall maintain or cause to be maintained in full force and effect commercial general liability insurance on an occurrence basis, including contractual liability coverage, naming Grantor as an additional insured, insuring against any and all liability for bodily injury, death and property damage arising out of Grantee's, its residents, invitees, guests, employees or agents use of the Shared Roadway. Said insurance shall be for not less than a combined single limit of not less than Five Million Dollars ($5,000,000.00), which aforesaid limits shall be increased from time to time if the Site Operator (as hereinafter defined) reasonably determines that higher shall customarily be carried upon similar properties used for similar uses in the State of New York.

(b) Grantor shall maintain or cause to be maintained in full force and effect commercial general liability insurance on an occurrence basis, including contractual liability coverage, naming Grantee as an additional insured, insuring against any and all liability for bodily injury, death and property damage arising out of Grantor's use of the Shared Maintenance Area and its rights and obligations to maintain same under this Agreement. Said insurance shall be for not less than a combined single limit of not less than Five Million Dollars

($5,000,000.00), which aforesaid limits shall be increased from time to time if the Site Operator (as hereinafter defined) reasonably determines that higher shall customarily be carried upon similar properties used for similar uses in the State of New York.

(c) Each Party shall deliver to the other copies of the insurance policies containing the coverages specified herein. All such insurance policies shall provide that the policy may not be modified in any material manner or cancelled on less than thirty (30) days prior written notice to the policy holder. Each Party shall renew or replace the insurance coverage and shall deliver to the other Party all such renewal and replacement policies at least twenty (20) days before such policies, or any renewal or replacement policies, expire.

(d) All such insurance shall be issued by insurance companies which are licensed to do business in the State of New York and having a Best's rating of at least A-, VIII. Such insurance may be provided under (i) an individual policy covering the insured Party, (ii) a blanket policy or policies which includes other liabilities, properties and locations of such Party, (iii) an increased coverage or "umbrella policy" may be provided and utilized to increase the coverage provided by individual or blanket policies in lower amounts, or (iv) a combination of any of the foregoing insurance programs.

(e) If either Party shall fail to procure or maintain any such insurance and pay any and all premiums and charges therefor, in addition to any other right or remedy the other Party may have, the other Party may (but shall not be obligated to do so), after ten (10) days' notice to the defaulting Party (which notice shall be in lieu of any other notice to which such defaulting Party may be entitled), procure such insurance and in such event the defaulting Party shall pay the other Party the reasonable cost thereof, within ten (10) days after receipt of demand therefore, which demand shall be accompanied by reasonable documentation supporting such expenditure.

7. Default. If any Party shall default in the performance of any of its obligations contained in this agreement, the other Party shall be entitled to damages, injunctive relief or any other remedy which such Party may be entitled to pursuant to law or in equity, provided that such Party shall not be entitled to terminate the easement rights granted to such Party pursuant to this Agreement, and provided further that any Parties' liability under this Agreement shall be limited to its property interest.

8. Force Majeure. In the event any Party shall be delayed or hindered in or prevented from the performance of any act required to be performed by such Party by reason of Acts of God, strikes, lockouts, unavailability of materials, failure of power, prohibitive governmental laws or regulations, riots, insurrections, the act or failure to act of the other Party, adverse weather conditions preventing the performance of work as certified to be an

architect, war or other reason beyond such Party's control, then the time for performance or such act shall be extended for a period equivalent to the period of such delay. Lack of funds or financial inability to perform shall not be deemed to be a cause beyond the control of such Party.

9. Mortgagee Provisions. (a) The Parties hereto shall use commercially reasonable efforts to obtain from any existing and future mortgagee encumbering the Grantor's Parcel or Grantee's Parcel (a "Mortgagee") a consent and subordination to this Agreement. This Agreement shall be superior to any mortgages placed upon either Parties property as of the date hereof.

(b) Any notice of default required or desired to be given by either Party ("Notice Party") to the other ("Other Notice Party") hereunder shall simultaneously be given to any Mortgagee which shall hold a lien on the lands of the Party to which said notice is intended to be given provided that the Party giving such notice shall have been given the name and address of such Mortgagee ("Notice Mortgagee") in writing by said Mortgagee or Other Notice Party. The Parties hereby acknowledge that ACORE CAPITAL MORTGAGE, LP, as Administrative Agent for the Lenders ("ACORE") shall be the initial Notice Mortgagee on the Grantor Parcel and Grantee Parcel and shall provide ACORE with a copy of any notice given herein addressed to: 80 E. Sir Francis Drake Blvd., Suite 2A, Larkspur, California 94939, Attn: General Counsel, with an additional copy to 5949 Sherry Lane, St. 1255, Dallas, Texas 75225, Attn: Head of Asset Management, with an additional copy to Gibson Dunn & Crutcher LLP, 555 Mission Street, San Francisco California 94105-0921, Attention: Kahlil T. Yearwood, Esq. By way of the consent delivered herewith and made a part hereof, ACORE agrees, on behalf of itself and as Administrative Agent for existing lenders, to subordinate its interests in the Grantor Parcel and Grantee Parcel to the rights and interests created by this Agreement.

10. Effective Term. This Agreement shall be perpetual in duration and shall be deemed to encumber and run with the land.

11. Binding Agreement. This Agreement shall run with the land and shall be binding on and inure to the benefit of each of the Parties and their respective successors, heirs, executors, administrators and assigns as well as any additional or affiliate Condominium Associations or HOA's formed after the date of this Agreement.

12. Amendment. This Agreement may only be amended in writing by the Parties herein.

13. Choice of Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York without regard to conflict of law principles.

14. Enforcement. The Parties hereby irrevocably and unconditionally consent to personal jurisdiction and venue in New York State Supreme Court, Nassau County, for purposes of any suit, action or proceeding for the purpose of enforcing this Agreement.

15. Notices. Any notice required herein shall be sent by certified mail, return receipt requested, or by personal delivery to the addresses set forth above. Unless otherwise specified, notices to the Site Operator shall be sent to the care of the Grantor at its address set forth above.

16. Invalidity. Should any provision in this Agreement be deemed invalid or unenforceable, the remainder of the Agreement shall not be affected and each term and condition shall be valid and enforceable to the fullest extent permitted by law.

17. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, constitute one and the same agreement.

18. Recording. This Agreement shall be recorded in the office of the Nassau County Clerk and indexed against Grantor Parcel and Grantee Parcel.

[END OF TEXT – SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties executed this agreement as of the dates set forth below.

GRANTOR:

THE BREEZE AT LONG BEACH LLC

By:_____
Name:
Title:

FEE OWNER:

ISLA BLU AT LONG BEACH LLC

By:_____
Name:
Title:

CONDOMINIUM ASSOCIATIONS:

ISLA BLU CONDOMINIUM I

By:_____
Name:
Title:

ISLA BLU CONDOMINIUM II

By:_____
Name:
Title:

HOA:

ISLA BLU HOMEOWNER'S ASSOCIATION

By:_____
Name:
Title:

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

On the ____ day of _____ in the year 2022 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and he/she/they acknowledged to me that he/she, they executed the same in his/her their capacity(ies), and that by his/her their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

On the ____ day of _____ in the year 2022 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and he/she/they acknowledged to me that he/she, they executed the same in his/her their capacity(ies), and that by his/her their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public

CONSENTED AND AGREED TO BY:

NASSAU COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

By: _____

Name: Harry Coghlan
Title: Chief Executive Officer / Executive Director

ACKNOWLEDGMENT

STATE OF NEW YORK)
)
COUNTY OF NASSAU)

On the _____ day of _____ in the year 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, the _____ of **NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency, duly organized and existing under the laws of the State of New York, 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 the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

WITNESS my hand and official seal.

_____
Signature of Notary

(Seal)

CONSENTED AND AGREED TO BY:

ADMINISTRATIVE AGENT:

ACORE CAPITAL MORTGAGE, LP,
a Delaware limited partnership, in its capacity as
administrative agent for and on behalf of the Lenders

By: _____

Name:
Title:

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

On the _____ day of _____ in the year 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, the _____ of **ACORE CAPITAL MORTGAGE, LP,** a _____, duly organized and existing under the laws of the State of Delaware, 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 the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

WITNESS my hand and official seal.

_____
Signature of Notary

(Seal)

EXHIBIT A

LEGAL DESCRIPTION OF GRANTOR PARCEL

EXHIBIT B

LEGAL DESCRIPTION OF GRANTEE PARCEL

EXHIBIT C

SHARED DRIVEWAY EASEMENT AREA

EXHIBIT D

MAINTENANCE EASEMENT AREA

SCHEDULE O

LICENSE AGREEMENT FOR PARKING SPACE

PARKING SPACE LICENSE AGREEMENT

This Parking Space License Agreement (the "License Agreement") made as of this _____ day of_____, 20___, between **ISLA BLU AT LONG BEACH LLC** having an address 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 (the "Sponsor"), **THE BOARD OF DIRECTORS** (the "Board of Directors") of **THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.** (the "Association"), having an address at 100 Boardwalk, Long Beach, New York 11561, together the Licensor ("Licensor"), and _____, residing at _____("Licensee").

W I T N E S S E T H:

WHEREAS, Sponsor promulgated an offering plan (the "Offering Plan") for 100 Boardwalk Condominium (the "Condominium") and the Association located at 100 Boardwalk, Long Beach, New York 11561 (the "Building"); and

WHEREAS, pursuant to the terms of the Offering Plan, Sponsor is offering to purchasers of Units in the Condominium the option to enter into a license agreement for a parking space ("Parking Space") located in the garage ("Garage") that is part of the Association and which Parking Space has been designated for use by permitted Unit Owners; and

WHEREAS, the Association is governed by a certain Declaration of Covenants and Restrictions dated _____, 20_____ , recorded, or to be recorded, in the Nassau County Clerk's Office, to be amended from time to time (the "Declaration"), the By-Laws of the Association, as the same has been or may be amended from time to time (the "By-Laws") and the Rules and Regulations of the Association, as the same have been or may be amended from

time to time (the "Rules and Regulations"; together with the Declaration and By-Laws, collectively referred to herein as the "Association Documents"); and

WHEREAS, Licensee owns, or simultaneously herewith is acquiring, Unit #_____ (the "Unit") in the Condominium; and

WHEREAS, Licensee is licensing from the Association the right to the exclusive use of Parking Space #____ (the "Parking Space") for so long as Licensee owns the Unit, or another Unit in the Condominium; and

WHEREAS, Licensor has agreed to grant Licensee a license for the exclusive use of the Parking Space for an initial license expense in the amount of $_____ (the "Parking Space License Expense") to be paid by Licensee to Sponsor upon the execution of this License Agreement, which License shall be expressly subject to the terms and conditions set forth in this License Agreement and the Purchase Agreement between Licensor and Licensee.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 ($10.00) Dollars and the mutual covenants herein expressed, Sponsor, Licensee and Licensor hereby covenant and agree as follows:

1. **License**. (a) Licensor hereby grants to Licensee, its successors and/or assigns, a license (the "License") for the exclusive use of the Parking Space and Licensee hereby accepts such License from Licensor upon the terms and conditions set forth in this License Agreement.

(2) Licensee shall have access to the Parking Space twenty-four (24) hours each day, seven (7) days each week, during the Term (hereinafter defined) subject to any rules and regulations promulgated by Licensor regarding the use and operation of the parking spaces (as detailed in the Offering Plan or any subsequent Rules and Regulations adopted by Licensor).

(a) This License Agreement shall create the relationship of Licensor and Licensee and shall in no way be construed as a lease, nor shall this License Agreement be construed in any manner so as to give Licensee the rights of a lessee or tenant of Licensor. Except for the License conferred by this License Agreement, no leasehold interest or other right, title or interest in the Parking Space or any part thereof shall be deemed to have been created in Licensee by anything contained in this License Agreement.

2. **Use**. (a) The Parking Space may only be utilized for the parking of registered automobiles and similar type vehicles and pursuant to the provisions of the Association Documents and any additional rules and regulations regarding the Parking Spaces. In no event shall any food or other perishable item, or any flammable or explosive item be stored in the Parking Space.

(2) Licensee shall not (i) store any property other than a registered vehicle inside or outside of the area of the Parking Space; or (ii) allow any other person to use the Parking Space except in accordance with the terms of this License Agreement.

(a) Use of the Parking Space is subject to all Rules and Regulations regarding the Parking Spaces which Licensor has adopted or may adopt in the future.

3. **Term**. The term of the License shall commence on the date on which title to the Unit passes to the Licensee (the "Commencement Date") and expire at the earlier of (i) such time as Licensee no longer owns a Unit in the Condominium, or (ii) forty-nine (49) years from the Commencement Date (the "Term"). In the event Licensee still owns a Unit in the Condominium on the last day of the forty-ninth (49th) year, the Term shall automatically be extended for successive periods of ten (10) years each unless Licensee ceases to be an owner of a Unit in the Condominium, in which event the Term shall automatically expire, this License

Agreement shall terminate and the License granted hereunder shall be of no further force or effect.

4. **Parking Space License Expense**. The Parking Space License Expense shall be payable to Sponsor upon the execution of this License Agreement. Beginning on the Commencement Date and continuing throughout the Term, Licensee shall be responsible for any fees required to be paid to Licensor.

5. **Monthly License Fee**. If required by the Licensor, Licensee shall pay to the Association a monthly sum as determined by the Board of Directors for operating and maintenance costs in connection with the Garage, the Parking Space, and any area surrounding the Parking Space located in the Garage in which the Parking Space is located (the "License Fee"). If applicable, the License Fee shall be in addition to the maintenance charges and any special assessments required to be paid to the Association by Unit Owners. Licensee shall be responsible for all costs associated with usage of any electric vehicle charging station ("EV Charger"), including, *inter alia*, the cost of electricity usage, and may be responsible for installation, maintenance, repair, and/or replacement of said EV Charger and all costs associated therewith, pursuant to the terms of the Association Documents and/or, as applicable, the Declaration of Condominium and Condominium By-Laws which encumber the Condominium.

6. **Association Documents.** This License and Licensee are subject to the provisions regarding the Parking Spaces contained in the Association Documents and any amendments thereto.

7. **Late Charge**. In the event that any payment required to be made by Licensee pursuant to the terms of this License Agreement shall not be paid within ten (10) days from the

date such payment is due, Licensor may charge Licensee a late fee in the amount of $0.25 for each $1.00 which remains unpaid for the purpose of defraying the expenses incurred in handling delinquent payments, which shall be payable to Licensor each and every month until Licensor is paid in full.

8. **Maintenance**. Subject to Paragraph 9 herein, Licensor shall provide, at its sole cost and expense, all customary maintenance required for the Parking Space and the Garage in which the Parking Space is located so as to keep the Parking Space and the Garage in which the Parking Space is located in good order and repair.

9. **Damage Caused by Licensee**. Licensee shall throughout the Term, take good care of and maintain the Parking Space. All repairs and replacements to the Parking Space as well as the Garage in which the Parking Space is located shall be performed by Licensor and the cost thereof shall be a common expense of the Association, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of Licensee (or any of Licensee's agents or invitees), in which event the entire cost and expense of such repair or replacement shall be borne by Licensee, and shall be paid by Licensee to Licensor no later than ten (10) days following written demand therefor.

10. **Indemnification**. Licensee shall indemnify and hold Sponsor, Licensor, and their respective members, managers, owners, shareholders, officers, directors, agents, employees, servants, successors, designees and assigns harmless from and against any loss, cost, damage and expense of whatever kind arising directly or indirectly from the operation and use of the Parking Space or from Licensee's breach of this License Agreement, including, but not limited to, reasonable attorneys' fees and court costs, except to the extent such loss, damage, cost or expense is due to the gross negligence or willful misconduct of Licensor and/or its

employees and/or agents of the Association or other owners of Units in the Condominium.

11. **Insurance**. Licensor shall, at all times during the Term, maintain insurance as required. Licensee shall maintain the following: (i) property insurance on a broad coverage form with a limit equal to Licensee's personal property, and (ii) personal liability coverage (including auto coverage) in an amount of $1,000,000 for bodily injury and/or property damage.

12. **Events of Default**. The following shall each be an "Event of Default" under this License Agreement:

(a) Licensee's failure to timely pay any License Fee, which failure continues for five (5) days after notice thereof.

Licensee's violation or failure to perform any of the other material terms, conditions, covenants or agreements herein made by Licensee, if such violation or failure continues for a period of ten (10) days after notice thereof.

In the event of any violation or failure to perform a covenant as contemplated herein, and if such covenant cannot be performed within the ten (10) day period, provided that Licensee has promptly commenced to cure such violation and is diligently proceeding with the cure, the time within which Licensee may cure the same shall be extended to such reasonable time as may be necessary to cure the same with all due diligence.

(b) Licensee's violation of any provision of the Association Documents regarding the Parking Spaces.

13. **General**. (a) Neither Sponsor, Licensor nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Garage in which the Parking Space is located and/or the Parking Space.

(b) The terms of this License Agreement are subject to the terms of the Association Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Association Documents. Any conflict between the provisions of this License Agreement and the Association Documents shall be resolved in favor of the Association Documents as they relate to the Parking Space.

(c) Licensor and/or its agents shall have the right, but not the obligation, to open the Parking Space or reasonably prevent access to the Parking Space in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Parking Space and to make such repairs, replacements and improvements as Licensor shall deem necessary.

14. **Remedies**. (a) If an Event of Default shall occur, and shall not be cured within the time period specified herein, then Licensor may give Licensee a fifteen (15) day notice of its intention to end the Term, and, at the expiration of such fifteen (15) day period, the Term shall expire as fully and completely as if that day were the date herein originally fixed for the expiration of the Term, and Licensee shall then quit and surrender the Parking Space to Licensor and remain liable under the terms of this License Agreement.

(2) The Licensor shall have the same rights of collection and enforcement of any applicable License Fee for the Parking Space as they have for Maintenance Charges and Special Assessments as provided for in Article X of the Declaration of Covenants and Restrictions or elsewhere in the Declaration of Covenants and Restrictions or Association By-Laws. In addition, if Licensee defaults in its obligations hereunder or under the Association Documents, the Licensor Board of Directors may, in addition to the rights and remedies set forth in the Association Documents, (i) deny access to and use of the Parking Space until Licensee

cures such default or (ii) terminate this Agreement upon written notice to Licensee.

15. **Notices**. Any notices, statements, certificates, requests or demands required or permitted to be given or delivered under this License Agreement shall be in writing and may be sent by mail, nationally recognized overnight courier or personal delivery, addressed to Licensor or to Licensee, as the case may be, at their respective addresses shown at the beginning of this License Agreement, or to such other address as Licensor or Licensee may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given:

(a) upon personal delivery actually being made, and

(b) upon receipt, first refusal of delivery or when returned as undeliverable if delivered by: (i) the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested; or (ii) nationally recognized overnight courier service.

Notwithstanding the foregoing, any notice of default must be delivered only by nationally recognized overnight courier service, personal delivery, or certified mail return receipt requested. Notice given by an attorney for a party shall be deemed effective notice as if given by such party.

16. **Assignment**. This License may be assigned by Licensee upon prior written notice to Licensor, provided the assignee satisfies one of the following: (i) owns a Unit in the Condominium, (ii) is a successor purchaser of the Unit and assumes in writing, the obligations of Licensee under this License Agreement, (iii) notification of the assignment is delivered in writing

to Licensor in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Association by Licensee and/or the assignee. The License shall automatically terminate at such time as the Term expires as provided herein or the License is assigned to and assumed by another owner of a Unit in the Condominium.

17. **Waiver.** Neither this License Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

18. **Acknowledgement.** 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 License 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.

19. **Strict Performance**. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this License Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this License Agreement to be performed by Licensee.

20. **Governing Law**. (a) This License Agreement shall be governed by and construed under the laws of the State of New York, without giving effect to its conflict of laws principles.

(b) If any provision of this License Agreement is invalid or unenforceable as against any party or under, certain circumstances, the remainder of this License Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this License Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. **Entire Agreement**. This instrument contains the entire agreement between the parties and any and all other prior oral or written agreements or representations made by or on behalf of either party with respect to this License Agreement or to the subject matter hereof shall be of no force or effect whatsoever. All understandings and agreements heretofore had between the parties hereto are merged in this License Agreement, which alone fully and completely express their agreement and that this License Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

22. **Arbitration**. Any dispute regarding the allocation or amount of the License Fee for the Parking Space shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association.

23. **Waiver of Jury Trial; Venue**. Licensor and Licensee do hereby mutually waive trial by jury in any action, proceeding or counterclaim brought by either Licensor or Licensee against the other with regard to any matters whatsoever arising out of or in any way connected with this License Agreement, the relationship of Licensor and Licensee, and Licensee's use of the Parking Space provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this License Agreement shall be brought in a court in Nassau County and any and all motions in any such action shall be made in Nassau County.

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement as of the date and year first above written.

LICENSOR:

BOARD OF DIRECTORS OF THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.

By: _____
, President

SPONSOR:

ISLA BLU AT LONG BEACH LLC

By: _____

LICENSEE:

By: _____

SCHEDULE P

LICENSE AGREEMENT FOR CABANA

CABANA LICENSE AGREEMENT

This Cabana License Agreement (the "License Agreement") made as of this _____ day of _____, 20___, between **ISLA BLU AT LONG BEACH LLC** having an address 300 Jericho Turnpike, Suite 100, Jericho, New York 11753 (the "Sponsor"), **THE BOARD OF DIRECTORS** (the "Board of Directors") **OF THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.** (the "Association"), having an address at 100-150 Boardwalk, Long Beach, New York 11561, together the Licensor ("Licensor"), and _____ _____, residing at _____("Licensee").

W I T N E S S E T H:

WHEREAS, Sponsor promulgated an offering plan (the "Offering Plan") for 100 Boardwalk Condominium (the "Condominium") and the Association located at 100 Boardwalk, Long Beach, New York 11561 (the "Building"); and

WHEREAS, pursuant to the terms of the Offering Plan, Sponsor is offering to purchasers of Residential Units in the Condominium the option to enter into a license agreement for a cabana ("Cabana") located within the outdoor amenities ("Outdoor Amenities") that are part of the Association and which Cabana has been designated for use by permitted Residential Unit Owners; and

WHEREAS, the Association is governed by a certain Declaration of Covenants and Restrictions dated _____, 20_____ , recorded, or to be recorded, in the Nassau County Clerk's Office, to be amended from time to time (the "Declaration"), the By-Laws of the Association, as the same has been or may be amended from time to time (the "By-Laws") and

the Residential Units Rules and Regulations of the Association, as the same have been or may be amended from time to time (the "Residential Rules and Regulations"; together with the Declaration and By-Laws, collectively referred to herein as the "Association Documents"); and

WHEREAS, Licensee owns, or simultaneously herewith is acquiring, Residential Unit #_____ (the "Residential Unit") in the Condominium, which Licensee, Residential Unit, and Condominium are all subject to the Association Documents; and

WHEREAS, Licensee is licensing from the Association the right to the exclusive use of Cabana #____ (the "Cabana") for so long as Licensee owns the Residential Unit, or another Residential Unit in the Condominium; and

WHEREAS, Licensor has agreed to grant Licensee a license for the exclusive use of the Cabana for an initial license expense in the amount of $_____ (the "Cabana License Expense") to be paid by Licensee to Sponsor upon the execution of this License Agreement, which License shall be expressly subject to the terms and conditions set forth in this License Agreement and the Purchase Agreement between Licensor and Licensee.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 ($10.00) Dollars and the mutual covenants herein expressed, Sponsor, Licensee and Licensor hereby covenant and agree as follows:

1. **License**. (a) Licensor hereby grants to Licensee, its successors and/or assigns, a license (the "License") for the exclusive use of the Cabana and Licensee hereby accepts such License from Licensor upon the terms and conditions set forth in this License Agreement.

(2) Licensee shall have access to the Cabana twenty-four (24) hours each day, seven (7) days each week, during the Term (hereinafter defined) subject to any rules and regulations

promulgated by Licensor regarding the use and operation of the Cabanas (as detailed in the Offering Plan or any subsequent Residential Rules and Regulations adopted by Licensor).

(a) This License Agreement shall create the relationship of Licensor and Licensee and shall in no way be construed as a lease, nor shall this License Agreement be construed in any manner so as to give Licensee the rights of a lessee or tenant of Licensor. Except for the License conferred by this License Agreement, no leasehold interest or other right, title or interest in the Cabana or any part thereof shall be deemed to have been created in Licensee by anything contained in this License Agreement.

2. **Use**. (a) The Cabana may only be utilized by a Residential Unit Owner for their recreation an enjoyment and pursuant to the provisions of the Association Documents and any additional rules and regulations regarding the Cabanas. In no event shall any flammable or explosive item be stored in the Cabana.

(2) Licensee shall not (i) store any property other than _____ inside or outside of the area of the Cabana; or (ii) allow any other person to use the Cabana except in accordance with the terms of this License Agreement.

(a) Use of the Cabana is subject to all Residential Rules and Regulations regarding the Cabanas which Licensor has adopted or may adopt in the future.

3. **Term**. The term of the License shall commence on the date on which title to the Residential Unit passes to the Licensee (the "Commencement Date") and expire at the earlier of (i) such time as Licensee no longer owns a Residential Unit in the Condominium, or (ii) forty-nine (49) years from the Commencement Date (the "Term"). In the event Licensee still owns a Residential Unit in the Condominium on the last day of the forty-ninth (49th) year, the Term shall

automatically be extended for successive periods of ten (10) years each unless Licensee ceases to be an owner of a Residential Unit in the Condominium, in which event the Term shall automatically expire, this License Agreement shall terminate and the License granted hereunder shall be of no further force or effect.

4. **Cabana License Expense**. The Cabana License Expense shall be payable to Sponsor upon the execution of this License Agreement. Beginning on the Commencement Date and continuing throughout the Term, Licensee shall be responsible for any fees required to be paid to Licensor.

5. **Monthly License Fee**. If required by the Licensor, Licensee shall pay to the Association a monthly sum as determined by the Board of Directors for operating and maintenance costs in connection with the Cabana (the "License Fee"). If applicable, the License Fee shall be in addition to the maintenance charges and any special assessments required to be paid to the Association by Residential Unit Owners.

6. **Association Documents.** This License and Licensee are subject to the provisions regarding the Cabanas contained in the Association Documents and any amendments thereto.

7. **Late Charge**. In the event that any payment required to be made by Licensee pursuant to the terms of this License Agreement shall not be paid within ten (10) days from the date such payment is due, Licensor may charge Licensee a late fee in the amount of $0.25 for each $1.00 which remains unpaid for the purpose of defraying the expenses incurred in handling delinquent payments, which shall be payable to Licensor each and every month until Licensor is paid in full.

8. **Maintenance**. Subject to Paragraph 9 herein, Licensor shall provide, at its sole cost and expense, all customary maintenance required for the Cabana so as to keep the Cabana in good order and repair.

9. **Damage Caused by Licensee**. Licensee shall throughout the Term, take good care of and maintain the Cabana. All repairs and replacements to the Cabana shall be performed by Licensor and the cost thereof shall be a common expense of the Association, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of Licensee (or any of Licensee's agents or invitees), in which event the entire cost and expense of such repair or replacement shall be borne by Licensee, and shall be paid by Licensee to Licensor no later than ten (10) days following written demand therefor.

10. **Indemnification**. Licensee shall indemnify and hold Sponsor, Licensor, and their respective members, managers, owners, shareholders, officers, directors, agents, employees, servants, successors, designees and assigns harmless from and against any loss, cost, damage and expense of whatever kind arising directly or indirectly from the operation and use of the Cabana or from Licensee's breach of this License Agreement, including, but not limited to, reasonable attorneys' fees and court costs, except to the extent such loss, damage, cost or expense is due to the gross negligence or willful misconduct of Licensor and/or its employees and/or agents of the Association or other owners of Residential Units in the Condominium.

11. **Insurance**. Licensor shall, at all times during the Term, maintain insurance as required. Licensee shall maintain the following: (i) property insurance on a broad coverage form with a limit equal to Licensee's personal property, and (ii) personal liability coverage (including auto coverage) in an amount of $1,000,000 for bodily injury and/or property damage.

12. **Events of Default**. The following shall each be an "Event of Default" under this License Agreement:

(a) Licensee's failure to timely pay any License Fee, which failure continues for five (5) days after notice thereof.

Licensee's violation or failure to perform any of the other material terms, conditions, covenants or agreements herein made by Licensee, if such violation or failure continues for a period of ten (10) days after notice thereof.

In the event of any violation or failure to perform a covenant as contemplated herein, and if such covenant cannot be performed within the ten (10) day period, provided that Licensee has promptly commenced to cure such violation and is diligently proceeding with the cure, the time within which Licensee may cure the same shall be extended to such reasonable time as may be necessary to cure the same with all due diligence.

(b) Licensee's violation of any provision of the Association Documents regarding the Cabanas.

13. **General**. (a) Neither Sponsor, Licensor nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Cabana.

(b) The terms of this License Agreement are subject to the terms of the Association Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Association Documents. Any conflict between the provisions of this License Agreement and the Association Documents shall be resolved in favor of the Association Documents as they relate to the Cabana.

(c) Licensor and/or its agents shall have the right, but not the obligation, to open the Cabana or reasonably prevent access to the Cabana in an emergency at any time, and, at other

reasonable times upon prior notice to Licensee, to inspect and examine the Cabana and to make such repairs, replacements and improvements as Licensor shall deem necessary.

14. **Remedies**. (a) If an Event of Default shall occur, and shall not be cured within the time period specified herein, then Licensor may give Licensee a fifteen (15) day notice of its intention to end the Term, and, at the expiration of such fifteen (15) day period, the Term shall expire as fully and completely as if that day were the date herein originally fixed for the expiration of the Term, and Licensee shall then quit and surrender the Cabana to Licensor and remain liable under the terms of this License Agreement.

(2) The Licensor shall have the same rights of collection and enforcement of any applicable License Fee for the Cabana as they have for Maintenance Charges and Special Assessments as provided for in Article X of the Declaration of Covenants and Restrictions or elsewhere in the Declaration of Covenants and Restrictions or Association By-Laws. In addition, if Licensee defaults in its obligations hereunder or under the Association Documents, the Licensor Board of Directors may, in addition to the rights and remedies set forth in the Association Documents, (i) deny access to and use of the Cabana until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

15. **Notices**. Any notices, statements, certificates, requests or demands required or permitted to be given or delivered under this License Agreement shall be in writing and may be sent by mail, nationally recognized overnight courier or personal delivery, addressed to Licensor or to Licensee, as the case may be, at their respective addresses shown at the beginning of this License Agreement, or to such other address as Licensor or Licensee may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given:

(a) upon personal delivery actually being made, and

(b) upon receipt, first refusal of delivery or when returned as undeliverable if delivered by: (i) the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested; or (ii) nationally recognized overnight courier service.

Notwithstanding the foregoing, any notice of default must be delivered only by nationally recognized overnight courier service, personal delivery, or certified mail return receipt requested. Notice given by an attorney for a party shall be deemed effective notice as if given by such party.

16. **Assignment**. This License may be assigned by Licensee upon prior written notice to Licensor, provided the assignee satisfies one of the following(i) owns a Residential Unit in the Condominium, (ii) is a successor purchaser of the Residential Unit and assumes in writing, the obligations of Licensee under this License Agreement, (iii) notification of the assignment is delivered in writing to Licensor in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Association by Licensee and/or the assignee. The License shall automatically terminate at such time as the Term expires as provided herein or the License is assigned to and assumed by another owner of a Residential Unit in the Condominium.

17. **Waiver.** Neither this License Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

18. **Acknowledgement.** 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 License 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.

19. **Strict Performance**. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this License Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this License Agreement to be performed by Licensee.

20. **Governing Law**. (a) This License Agreement shall be governed by and construed under the laws of the State of New York, without giving effect to its conflict of laws principles.

(b) If any provision of this License Agreement is invalid or unenforceable as against any party or under, certain circumstances, the remainder of this License Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this License Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. **Entire Agreement**. This instrument contains the entire agreement between the parties and any and all other prior oral or written agreements or representations made by or on behalf of either party with respect to this License Agreement or to the subject matter hereof shall

be of no force or effect whatsoever. All understandings and agreements heretofore had between the parties hereto are merged in this License Agreement, which alone fully and completely express their agreement and that this License Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

22. **Arbitration**. Any dispute regarding the allocation or amount of the License Fee for the Cabana shall be decided by Arbitration pursuant to the terms of Article XVII of the By-Laws of the Association.

23. **Waiver of Jury Trial; Venue**. Licensor and Licensee do hereby mutually waive trial by jury in any action, proceeding or counterclaim brought by either Licensor or Licensee against the other with regard to any matters whatsoever arising out of or in any way connected with this License Agreement, the relationship of Licensor and Licensee, and Licensee's use of the Cabana provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this License Agreement shall be brought in a court in Nassau County and any and all motions in any such action shall be made in Nassau County.

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement as of the date and year first above written.

[SIGNATURE PAGE FOLLOWS]

LICENSOR:

**BOARD OF DIRECTORS OF
THE BOARDWALK LONG BEACH HOMEOWNERS ASSOCIATION, INC.,**

By: _____
, President

SPONSOR:

ISLA BLU AT LONG BEACH LLC

By: _____

LICENSEE:

By: _____