CONDOMINIUM OFFERING PLAN

FOR THE SALE OF UNITS
IN A CONDOMINIUM TO BE KNOWN AS

68 Commercial Street Condominium
68 Commercial Street
Brooklyn, New York 11222

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3 Residential Units: $9,095,000.00
Total Offering Amount $9,095,000.00

SPONSOR:	SALES CENTER:	SELLING AGENT:
68 Commercial Street, LLC 515 Rockaway Avenue Valley Stream, New York 11581	68 Commercial St Brooklyn, NY 11222	Corcoran Group 245 Bedford Avenue Brooklyn, New York 11211

The Sponsor will not contribute to the Reserve Fund.

THE DATE OF ACCEPTANCE FOR FILING IS _____, 2023 ("THE ACCEPTANCE DATE).

THE TERM OF THE INITIAL OFFER IS ONE YEAR COMMENCING FROM THE ACCEPTANCE DATE OF THE OFFERING PLAN. THE TERM MAY BE EXTENDED BY AN AMENDMENT TO THE OFFERING PLAN.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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

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

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

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PART 1

CONDOMINIUM OFFERING PLAN
FOR
68 COMMERCIAL STREET CONDOMINIUM

CONDOMINIUM SPECIAL RISKS

The provisions of this Offering Plan are subject to a number of special factors, which should be carefully considered by every prospective Purchaser. **Prospective Purchasers are further urged to visit the premises of 68 Commercial Street Condominium and to consult with their attorneys and financial advisors before executing a Purchase Agreement.** The special factors are as follows:

1. **SALE OF UNITS**: Sponsor reserves the unilateral right to rent after consummation rather than sell the residential Units. BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL RESIDENTIAL UNITS AFTER THE PLAN HAS BEEN CONSUMMATED, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE RESIDENTIAL UNITS ARE OWNED BY THE OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. Owner occupants and non-resident owners, including Sponsor may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to an investment. (See section entitled Rights and Obligations of Sponsor in Part I of the Plan).

2. **BULK SALES**: The Sponsor has the right to sell Residential Units to Purchasers buying for investment, instead of personal occupancy. If the Sponsor makes a bulk sale of two (2) or more Residential Units to an investor, that investor will become a transferee successor Sponsor who will be bound by the Sponsor's representations. (See section entitled Introduction in Part I of the Plan).

3. **CONSTRUCTION LENDER:** The Construction Lender will be: Skybrook Capital LLC At each Closing, Sponsor must pay its Construction Lender a percentage of the Purchase Price, but not less than a minimum repayment amount. (See section entitled Rights and Obligations of Sponsor in Part I of the Plan).

4. **REAL ESTATE MARKET**: Purchaser should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building 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 where the sponsor has not sold a substantial percentage of the units, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. It may also be more difficult for a purchaser to resell a unit if perspective purchasers are unable to obtain a loan due to the same minimum sale and investor ownership restrictions. (See section entitled Financing for Qualified Purchasers in Part I of the Plan).

5. **RIGHT OF FIRST REFUSAL**: All Units sold pursuant to this Plan will be sold subject to a right of first refusal in favor of the Board of Managers of the Condominium incorporated in the Deed to each Unit (Exhibit "C" to Part II of this Plan). This right of First Refusal applies to any resale of the Units. The Sponsor however, is not subject to this right of first refusal (See section entitled Rights and Obligations of Unit Owners and The Board of

Managers in Part I of the Plan).

6. **CLOSING REQUIREMENTS**: Purchaser's failure to strictly adhere to all time periods set forth in the Purchase Agreement or to pay the balance on the Closing Date designated by Sponsor is an event of default which entitles the Sponsor to cancel the Purchase Agreement by sending Purchaser thirty (30) days prior written notice of its intention to do so. Sponsor is transferring its statutory obligation to pay transfer taxes to purchaser. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID PERIOD, POSSIBLY RESULTING IN THE LOSS OF PURCHASER'S DOWNPAYMENT. (See section entitled Procedure to Purchase in Part I of the Plan).

7. **WAIVER OF JURY TRIAL:** Except as prohibited by Law, the parties expressly waive trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, or move to consolidate such claim with, any action or proceeding in which a jury trial is waived. This provision will survive the Closing of the Unit or the termination of the Purchase Agreement. (See section entitled Waiver of Jury Trial in Part II of the Plan).

8. **CLOSING COSTS**: Purchasers are required to pay the New York City and State Real Property Transfer (RPT) Taxes currently aggregating 1.425% of the purchase price of the Unit for conveyances greater than $501,000.00 (as to New York City Transfer Taxes), and $2.00 per $500.00 of the purchase price for New York State Transfer Taxes, which taxes are statutorily the primary obligation of a Seller of real property. The New York City Department of Finance has taken the position that where the Purchaser of a Property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, which is generally an obligation borne by a Seller, the amount of tax which would otherwise be payable if the Seller were to pay such taxes, excluded from the calculation of consideration subject to tax under New York State Tax Law Section 1404(a). Purchasers will also be required to pay for Seller's attorney as more fully described herein. Purchasers will also be responsible to pay Sponsor's attorney fees in the amount of $4,000.00. (See Section entitled Unit Closing Costs and Adjustments in Part I of the Plan), plus the sum of $250 to prepare the ACRIS documents for New York City Department of Finance. (See section entitled Unit Closing Costs and Adjustments in Part I of the Plan).

9. **NO BOND**: Sponsor will not furnish any bond or other security to secure Sponsor's obligations to complete construction of the condominium. (See section entitled Terms of Sale in Part I of the Plan).

10. **CONTROL OF THE BOARD OF MANAGERS**: After the Initial Sponsor Control Period, being defined as the point of sale of 100% of the Units or 2 years from the date of the first closing, which ever date is earlier, the By-Laws do not provide that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing i.e., purchase as a home as opposed to an investment. (See section entitled Board of Managers on Part I of the Plan).

11. **PURCHASE DEPOSITS**: All deposits will be placed in Sponsor's Attorney Escrow account. The FDIC has granted unlimited deposit insurance coverage of $250,000.00 per deposit to these accounts Purchasers who have accounts at Orange Bank and Trust, where the deposits will be held, these accounts will be counted as part of the $250,000.00 insurance coverage. (See section entitled Procedure to Purchase in Part I of the Plan).

12. **ACCESS:** The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that notice is appropriately given. Requests for entry, except in emergencies, shall be made in advance and any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent (if any) a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages, if any, to any Unit or to the Common Elements resulting from the exercise of such right of access. It is possible that a prospective Purchaser will be required to execute a binding Purchase Agreement without having an opportunity to inspect the Unit that he/she is purchasing. In addition, some of the services described herein (such as a finished and decorated lobby) may not be available until the earlier of (a) one year after the First Closing ("First Closing") or (b) such time as fifty percent (50%) of the Residential Units are closed. (See section entitled Description of Property and Improvements in Part I of the Plan)

13. **AMENITIES**: Although the Sponsor anticipates substantial completion of construction on the Building by November 2025 it may experience delays during construction, such as obtaining the requisite governmental approvals and scheduling Closings. Such delays may inconvenience potential Purchasers and could result in the expiration of mortgage commitments. See Special Risks - Section 15 "Financing Contingencies" with respect to expired or lapsed commitments. Under present plans, all of the services and facilities described herein will initially be provided and made available to Unit Owners within six (6) months following the First Closing, except as otherwise indicated in the Plan. At the time of the First Closing, the Building will be fully staffed with a part time superintendent. The completion of facilities will depend, in part, upon the timing of the completion of the construction of various areas of a Building, the sequence in which such work is performed, the sequence in which such occupancy takes place and other similar factors. The Building will be staffed at the time of the First Closing with common area cleaning and trash removal services. The Sponsor will provide all facilities, within six (6) months following the First Closing. The date in which all facilities will be provided is not depended on number of sales or levels of occupancy. (See section entitled Description of Property and Improvements in Part I of the Plan)

14. **SQUARE FOOTAGE OF UNITS:** As Provided in the Architects Report, "The square footage of the Residential Units, as shown on Schedule A, is measured horizontally from the outside faces of the exterior walls to each other and to the centerline of the partitions separating the Units from stairs, elevators, and other mechanical spaces or any Common Elements (as herein after defined)." The measurements in Schedule A significantly

exceed useable floor area. (See section entitled Exhibit D Description of Property and Specification or Building Condition in Part II of the Plan)

15. **LOT LINE WINDOWS:** There are no lot line windows in any of the Units. (See section entitled Description of Property and Improvements in Part I of the Plan)

16. **Façade Inspection Safety Program (FISP):** For New York City buildings, Local Law 11/98 "Façade Inspection Safety Program" (FISP) is not applicable for this building. Buildings higher than six (6) stories must have exterior walls and appurtenances inspected every five (5) years and a technical façade report must be electronically filed with the New York City Building Department. Each building is only four (4) stories tall. (See section entitled Description of Property and Improvements in Part I of the Plan)

17. **BICYCLE STORAGE:** There is no bicycle storage provided in the Building. (See section entitled Rights And Obligations Of The Unit Owners And The Board Of Managers in Part I of the Plan)

18. **STORAGE LOCKERS AND LICENSES:** There are no storage lockers available to Unit Owners. (See section entitled Rights And Obligations Of The Unit Owners And The Board Of Managers in Part I of the Plan)

19. **CERTIFICATES OF OCCUPANCY:** Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire Building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the Property 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 DOB. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for Sponsors to commence Unit C losings when some or all Units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two-year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire Building, and shall exercise best efforts to obtain the FCO within such two-year period while keeping the TCO current. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in completion of the work necessary to obtain the certificate of Occupancy. Buyers are advised to visit the DOB website for further recommendations when purchasing a Unit in a Building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at:

https://www1.nyc.gov/assets/buildings/pdf/cofo_guide.pdf (See section entitled Rights and Obligations of the Sponsor in Part I of the Plan).

20. **FIRST CLOSING**: The Sponsor anticipates that the First Closing of a Unit will occur by December 1, 2024. Purchasers will be offered a right of rescission if: (i) the actual date of Closing to the first Unit; or (ii) the projected date of Closing of title to the first Unit occurs later than November 30, 2025, twelve (12) months after the projected for the commencement of the budget year. 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. Unless your Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that the Closing of title to your Unit will occur by any certain date. The Purchaser is required to sign a power of attorney to the Board of Managers of the condominium, which power of attorney must be signed acknowledged and returned to the Sponsor within fifteen (15) days. Failure to so return the power of attorney may result in a default under the Purchase Agreement. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. (See section entitled Procedure to Purchase in Part I of the Plan).

21. **BUDGET: SPECIAL ALLOCATIONS AND UTILITY COSTS**: Schedule B provides for the allocation of Common Charges which is based on the percentage of General Common Interest of this Unit. The Footnotes to Schedule B for each expense item describes the method of allocation of the common expenses. The allocation is based on the provision in Section 339-m of the Real Property Law. (See section entitled Footnotes to Schedule B in Part I of the Plan)

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain in obligated to update the budget for the Condominium as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing and post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment tot eh Offering Plan as a benefit to subsequent purchasers. The Sponsor may not declare the Plan effective where there are any material changes to the Budget, if these changes have not been disclosed by a duly filed amendment to the Plan. (See section entitled Rights and Obligations of Sponsor in Part I of the Plan).

22. **EXTERIOR SPACES**: Each Residential Unit Owner who has a Terrace, Balcony, Patio, or Garden Space, as a Limited Common Element is responsible for all ordinary maintenance and cleaning of said space. Each such Residential Unit Owner is responsible for reporting to the Managing Agent and/or the Board of Managers any degraded, weathered or otherwise damaged conditions to the waterproofing of the Terrace, Balcony, Patio, or Garden Space. The costs and expenses of any repairs or replacements, structural or otherwise, unless caused by or attributable to the Residential Unit Owner, shall be charged to all Unit Owners as a Common Expense. Any Terrace, Balcony, Patio, or Garden Spaces may not be used for sleeping or dining spaces (See Architectural Report in Part II of Plan.

23. **WINDER STAIRS:** There are stairs with winders within Unit 3 Duplex. Winder Stair is not code compliant and does not meet the requirements of the 2014 building code section 1009.4.2 because the linear minimum clearance width dimension is not provided. As designed, the narrow side of the treads converges to a point. This creates a hazardous condition that might result in falls. There is a possibility that the Department of Buildings may at any time in the future require the reconstruction of these stairs to meet code requirements. The expense of this work will be borne by the unit owner. (See section entitled Architectural Report in Part II of the Plan).

24. **SUSTAINABLE ROOFING:** The New York City Department of Building's Buildings Bulletin 2019-010 for a sustainable roofing zone is applicable to the property. There will be a sustainable roofing zone with green roof areas of approximately 326 square feet. Said green roof areas will be planted in rectangular, extruded, polyurethane, modular planter trays which will be supported on adjustable, polyurethane pedestals which also support the adjacent roof pavers. Planter trays will be equipped with small drainage filter holes to prevent passage of soil to the finished roof areas. Planter trays shall be as manufactured by Tile Tech Inc. Said roof area will be a limited common element is a terrace for Unit 3 only and cannot be decreased in size of the required green roof. (See section entitled Architectural Report in Part II of the Plan).

25. **POLICY ON ANIMALS:** The maintenance, keeping, boarding, or raising of animals, livestock, poultry, or reptiles of any kind, shall be and is prohibited within any Unit or upon the Common Elements. Dogs and cats shall be permitted. (See section entitled Rights And Obligations Of The Unit Owners And The Board Of Managers in Part I of the Plan)

26. **DRAINS:** According to the Architects Description of Property found in Part II of the Plan, There will be no catch basins on the property. All drains will be controlled flow and cast iron area drains to be located at the roof and yard areas of the building. Said drains will drain the storm water runoff from the site to the existing 12" combined sewer beneath the roadway of Commercial Street. Maintenance and repairs of the building's drains will be the responsibility of the Building Management. In the event of water damage to a residential unit as a result of a drainage leak, all repair cost will be incurred by the Board of Managers. A claim will be made to the insurance company for the responsible party. (See section entitled Description Of Property And Improvements in Part I of the Plan)

27. NO DOLLAR LIMIT WARRANTY

The expected life span of the roof type is ten (10) to fifteen (15) years. A minimum fifteen (15) year No Dollar Limit manufacturer's warranty for materials and labor shall be provided for the flat roof areas. The warranty will commence when the installation of the roof has been completed. The Sponsor will verify with the roof manufacturer that the installation of the roof paving as support pedestals will not affect the roof warranty. (See section entitled Description Of Property And Improvements in Part I of the Plan)

28. SMOKING POLICY: Smoking is not allowed in the following locations: (a) outdoor common areas, including balconies, terraces, rooftops, courtyards, patios, porches, or yards; (b) outdoors within 15 feet of entrance, exit, windows, and air intake units on property grounds; and (c) indoor common areas including the lobby. Smoking is allowed in the following locations: (a) inside the residential units; (b) outside spaces that are a part of the residential units, including balconies, terraces, gardens, or any outdoor areas connected to a Purchaser's individual unit. (For further definition of smoking, see Rider 3 to Purchase Agreement. See, Rights and Obligations of Unit Owners. See Also, Part II of the Plan, By-Laws.)

29. FINANCING CONTINGENCIES: Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor Selling Agent makes any representations or warranties as to the availability of mortgage financing. Prospective Purchasers are therefore advised to consider carefully their financing arrangements before signing a Purchase Agreement. It should also be noted that it may be difficult to obtain a financing commitment until a certain percentage of the apartments in the Building have been sold. Prospective Purchasers should also be aware that even if a loan commitment is obtained, its term may be limited, and it could expire before the Closing Date. Although the Purchase Agreement will provide that the sale is not subject to a mortgage contingency, the Sponsor, in its sole discretion may agree to afford a Purchaser the right to apply for a purchase money mortgage and make the Purchase Agreement contingent upon same. If the Sponsor and the Purchaser so agree to permit the contingency, the Purchase Agreement will be made contingent upon the obtaining of a mortgage or other financing by such Purchaser, in the amount not greater than 80% of the total purchase price. If a Purchaser is relying upon financing, Purchaser will assume the risks of meeting all conditions and requirements of the Lender to obtain and fund the loan on the date set by Sponsor for Closing of title under the Purchase Agreement, including conditions and requirements that may be beyond Purchaser's control, such as: meeting all requirements concerning Purchaser; meeting a requirement for a certain percentage of Units to be "owner-occupied" and losing a "lock in" interest rate because Closing of title fails to occur before the expiration of the period within which the loan must close to obtain the locked in rate. A prospective Purchaser who is relying on financing is advised to inquire with a proposed lender or mortgage broker as to whether the Purchaser will qualify before entering into a Purchase Agreement. Sponsor makes no representation if the Premises and Plan is in compliance with the Fannie Mae or Freddie Mac loan requirements or for any FHA loans. Sponsor does not anticipate permitting Mortgage Contingencies, however, in the event that a Purchaser seeks to finance his or her

purchase, the Sponsor will cooperate as necessary. Unless otherwise agreed by and between the parties, Purchaser shall have thirty (30) days from the date Purchaser receives a fully executed Purchase Agreement to procure a mortgage commitment. In the event the Purchaser is denied, said Purchaser may terminate this agreement upon three (3) day's written notice, at which time, Sponsor will return the down payment hereunder to the Purchaser within three (3) days thereafter, otherwise the contract will be deemed firm on the thirty-first (31st) day. If a Purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to such purchaser a right of rescission. (See Procedure to Purchase in Part I of Plan).

30. CONSTRUCTION: Sponsor warrants that it will construct the Premises in accordance applicable codes and filed Plans and specifications and any conflict between any disclaimers and Sponsor's obligation to construct the Premises in accordance with any applicable codes filed Plans and specifications shall be resolved in favor of the latter. The Sponsor provides a one (1) year warranty on all materials of each unit and common elements. In addition, the Sponsors will assign all manufacturer warranties. Prospective Purchasers should note that the provisions of Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") is applicable to the Units purchased in this Condominium because the provision affects the sale of new dwelling units that are single family homes or units in cooperatives or condominiums of five stories or less. (See Rights and Obligations of Sponsor in Part I of the Plan).

31. MANAGING AGENT/ COMPANY: The management company for the 68 Commercial Street Condominium will be EBD Management Services LLC, having an address at 515 Rockaway Avenue, Valley Stream, New York 11581, a real estate management firm. The management company is affiliated with the Sponsor. It is possible that the management fees will accelerate while Sponsor controls the Board of Managers. No percentage can be offered at this time as to said escalation if any. Sponsor will include any increase in management fees in Schedule B. Notwithstanding that, fees are consistent with prevailing rates. Unit Owners may select a managing agent after the interim control period. It is possible that the management fees will accelerate if a new managing agent is selected. (See Budget in Part I of the Plan)

EBD Management Services LLC, will receive a fee of $10,000.00 per annum, as the management fee, for a term of three (3) years. The Term shall automatically be extended and the Agreement shall continue upon the terms and conditions herein until terminated at the option of either party at the end of any calendar month on at least sixty (60) days' prior written notice from one party to the other. If the Property shall be demolished or Principal shall fail or refuse to comply or commence to comply with or abide by any rule, order, determination, ordinance or law of any federal, state or municipal authority, Agent may terminate this Agreement if such failure shall continue for thirty (30) days after notice to Principal at any time on twenty-four (24) hours prior written notice to Principal. The Board of Managers does not have the right to cancel the agreement without cause.

The duties of EBD Management Services LLC include but are not limited to:

a) Billing and collecting Common Charges;
b) Causing the Common Elements to be maintained and repaired;
c) Contracting for necessary services for the Common Elements
d) Purchasing supplies necessary to properly maintain and operate the Common Elements;
e) Reviewing bills received in connection with the operation of the Common Elements and causing such bills and other expenses to be paid;
f) Supervising, hiring and discharging employees and contractors;
g) Maintaining accurate sets of books and records (other than books of account to be maintained by the Condominium's accountants);
h) Sending notices and preparing agendas for meetings of the Board of Managers
i) Processing sales and leases of Units for a processing fee.

No claim shall be made by Principal against Agent, except to the extent based upon loss or damage caused by Agent's willful misconduct, criminal act or gross negligence or as a result of Agent acting outside the scope of Agent's duties under this Agreement.

Neither of the parties may assign this Agreement without the consent of the other, but, notwithstanding anything contained herein to the contrary, Principal shall assign its interest in this Agreement, upon the recordation of the Condominium declaration to the Board of managers of the Condominium, which shall thereupon assume the rights and obligations of the Principal hereunder.

There are currently no contracts or leases binding on the Condominium. (See section entitled Managing Agent/ Company in Part I of the Plan)

32. COSTS OF ENFORCING AND DEFENDING PURCHASE AGREEMENT: Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in cancelling this Agreement or otherwise enforcing Purchaser's obligations thereunder. See "Exhibit 1: Purchase Agreement." The Purchaser will be responsible for the Sponsor's legal fees and disbursements regardless of whether or not the Sponsor is the prevailing party in the litigation. (See section entitled Exhibit A: Purchase Agreement in

Part II of the Plan)

33. **PROHIBITION AGAINST ADVERTISING:** Prior to the Closing of title, Purchaser shall not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability for sale or lease, without Sponsor's written consent. See "Exhibit 1: Purchase Agreement. (See Procedure to Purchase in Part I of Plan).

POWER OF ATTORNEY: Part II of this Plan contains a Power of Attorney, which, among other matters, grants the Sponsor the right, on behalf of the Unit Owners, to amend the Declaration or By-Laws to reflect changes in Unsold Units or if required in some instances by an Institutional Lender, governmental agency or title insurance company or to carry out any of the provisions of the Plan. The consequences of not signing the Power of Attorney include but are not limited to the Board: not having the authority to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to units, not having the ability to retain counsel or take any other actions which the Board deems appropriate or necessary, cannot execute, acknowledge and deliver any declaration or other instrument affecting the Common Elements which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning, or requirement of the Department of Buildings, cannot vote on behalf of non-signers, and cannot carry out any provision of the Offering Plan. (See section entitled Escrow And Trust Fund Requirements in Part I of the Plan)

34. **SPECIFIC PERFORMANCE:** If the Purchaser defaults and fails to cure during the thirty (30) day period afforded him or her by the Sponsor after giving written notice to cure, the Sponsor may at its option, cancel the Purchase Agreement or bring an action against Purchaser for specific performance. Time is of the essence to cure such default within said thirty (30) day period. Subject to the provisions of this Section, in the event of such default, the Sponsor may retain as liquidated damages a sum equal to the Down Payment. If the Sponsor elects not to cancel the Purchase Agreement as a result of the failure of the Purchaser to close on the date specified by the Sponsor in such notice, and approves the Purchaser's request to adjourn the Closing Date, then (i) all apportionments between the Sponsor and the Purchaser shall be made as of the original Closing Date, and (ii) Purchaser shall pay to Sponsor .03% of the Purchase Price for each day that the Closing Date is adjourned. If the Sponsor accepts an extension of the original Closing Date, said extension shall not preclude the Sponsor from thereafter canceling the Purchase Agreement if the Purchaser fails to close on the adjourned Closing Date. (See section entitled Exhibit A: Purchase Agreement in Part II of the Plan)

35. **TAX CUTS AND JOBS ACT OF 2017:** On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. Mortgages interest and Real Estate Taxes which were previously deductible will no longer be fully deductible by taxpayers. See Part II of the Plan for Real Estate Tax Letter and Counsel Tax Opinion Letter. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the Purchaser's taxes and/or deductions. Purchasers should not rely on any representations in the Plan addressing taxes and deductions

without first consulting a tax expert. See section entitled Real Estate Taxes in Part I of the Plan)

36. **TRANSFER TAX:** On July 1, 2021, New York State announced additions to the base real estate transfer tax on all conveyances of real property within New York State. The real estate transfer tax imposed pursuant to section 1402 of Article 31 of the New York State Tax Law shall be paid by the Sponsor and such tax shall not be payable, directly or indirectly, by the Purchaser except as provided in a contract between Sponsor and Purchaser. If the Sponsor has failed to pay the tax imposed by this article at the time required by section 1410 of Article 31 of the New York State Tax Law or if the Sponsor is exempt from such tax, the Purchaser shall have the duty to pay the tax. Where the Purchaser has the duty to pay the tax because the Sponsor has failed to pay, such tax shall be the joint and several liability of the Sponsor and the Purchaser; provided that in the event of such failure, the Purchaser shall have a cause of action against the Sponsor for recovery of payment of such tax, interest and penalties by the Purchaser. In the case of a conveyance of residential real property as defined in subdivision (a) of section 1402(a) of Article 31 of the New York State Tax Law, if the tax imposed by this article is to be paid by the Purchaser pursuant to a contract between the Sponsor and the Purchaser, the amount of such tax shall be excluded from the calculation of consideration subject to tax under this article. Where the consideration includes property other than money, it shall be presumed that the consideration is the fair market value of the real property or interest therein. Pursuant to the New York State Tax Law Section 1404(a). (See section entitled Unit Closing Costs and Adjustments in Part I of the Plan).

37. **SUPPLEMENTAL TAX:** On March 1, 2019, New York State established a new supplemental tax on certain conveyances of real property within New York State This amended tax rate applies only to conveyances of real property in cities with a population of 1 million or more, which includes New York City. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is $2 million or more. The additional supplemental tax applies to all applicable transfers occurring after July 1, 2019. (See section entitled Unit Closing Costs and Adjustments in Part I of the Plan).

38. **FINANCIAL CRIMES ENFORCEMENT NETWORK DISCLOSURE:** Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded the Geographic Targeting Order ("Order"). FinCEN requires U.S. title insurance companies to report to FinCEN the persona identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTP such as: any corporation, partnership, limited liability company, or other similar business entities ("Covered Purchaser"); (2) to purchase a Residential Unit in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island; (3) the total purchase price is in the amount of $300,000.00 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a travelers' check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency. As long as the Order remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018. (See section entitled Exhibit A: Purchase Agreement in Part II of the Plan)

INTRODUCTION

a. Sponsor and Condominium

Under the terms of this plan, 68 Commercial Street LLC (the "Sponsor"), a domestic limited liability company, with an office at 515 Rockaway Avenue, Valley Stream, New York 11581, is offering for sale three (3) Residential Condominium Units (the "Residential Units.") The Building is being constructed on a site of approximately 2389 square feet.

The Sponsor acquired the lot by deed on November 9, 2021. Corcoran Group will serve as the Selling Agent.

The Property will be developed as a condominium to be known as 68 Commercial Street Condominium (the "Condominium"). The mailing address of the Condominium and the Residential Unit Owners will be 68 Commercial Street, Brooklyn, New York 11222. There is a package room in the lobby area and a residential lobby, which are Common Elements and thus, are not being offered for sale.

The purpose of the Plan is to set forth all the material terms of the offer. The Plan is presented in two parts (in one volume), which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, which will be included in the Condominium, legal opinions and certifications as to certain matters discussed in the Plan. Amendments to the Plan will be served on all offerees, i.e., Purchasers who have executed and delivered Purchase Agreements to the Sponsor or selling agent and whose Purchase Agreements are in effect, Unit Owners, and any other person entitled to service pursuant to regulation 13 NYCRR Section 20.1(d)(1). All of these documents are important and should be carefully read by a prospective Purchaser.

PURCHASERS ARE ADVISED TO CONSULT WITH THEIR OWN ATTORNEYS AND OR OTHER ADVISORS AND PROVIDE THEM WITH A COPY OF THIS PLAN BEFORE AGREEING TO PURCHASE.

b. Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession thereof. The Unit Owner also owns, in common with the owners of all other Units, an undivided interest in the Common Elements and Limited Common Elements, which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Units themselves, such as the Land and the roofs, foundations and supports of the Building.

The Common Elements of the Condominium consist of the entire Property including the Land and all other parts of the Building and improvement therein other than the Units. Generally, the Common Elements consist of those parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence and maintenance of the Property.

The Common Elements include among other things, all roofs, columns, girders, beams, trusses, joists, supports, exterior walls and interior load bearing walls, lobby, public halls, public stair, meter rooms, mechanical room and the mechanicals installed therein, plantings on the front of the Building, planters on common areas on the front of the Building with plantings, planters on the front of the Building or on terraces in front of the Building, irrigation system related to these plantings, walkways, exterior stairs, ramps, elevator and trash storage areas. The Common Elements are divided into Limited Common Elements and General Common Elements.

Limited Common Elements are the portions of Building, which are appurtenant to a particular Unit, or any portion of Building; the use of which is restricted to the owners of a particular unit or units to which it is appurtenant. These areas include terraces and balconies. Purchasers may only use the Limited Common Elements as same is allowed by local laws and regulations, the Condominium Declaration and house rules. See, Part I, Schedule A.

Subject to certain conditions contained in the By-Laws, each Unit Owner has the right, in his or her own discretion, to mortgage his Unit on such terms and conditions, as he or she desires. The Board of Managers shall not make rules or regulations, which limit or interfere with the right to mortgage any Units. All previously rented units will be sold "as is." However, the Board of Managers of the Condominium has certain rights of first refusal as set forth in the Unit Deeds and the By-Laws. Upon the resale and/or the leasing of a Unit, the Board of Managers has the right of first refusal, meaning that the Board of Managers has the right to purchase or lease the offered Unit in accordance with the terms of sale or lease. The Board of Managers must exercise this right in a timely and reasonable manner so as not to interfere with the Unit Owners rights of resale or lease. The Board of Managers' right of first refusal does not apply to Units offered for sale or lease by the Sponsor.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN TO SELL RESIDENTIAL UNITS, AFTER THE PLAN HAS BEEN CONSUMMATED, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE RESIDENTIAL UNITS ARE OWNED BY THE OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR.

Primary responsibility for operating the Condominium rests with the Board of Managers, which is elected by the Unit Owners. Each Unit Owner is obligated to comply with the Condominium Declaration, the By-Laws, house rules and regulations and other requirements of the Board of Managers.

The Board of Managers of the Condominium (hereinafter more particularly described) will assess against each Unit Owner, in proportion to his or her respective interests in the Common Elements charges (the " Common Charges") for the maintenance of the Common Elements (hereinafter called Common Expenses). These must be paid in accordance with the

New York Condominium Act, Sections 339(i) and (m).

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes, which will be separately assessed against his or her Unit, any mortgage placed on their individual Unit and charges for electricity and gas consumed in his Unit. Water charges and sewer rents, if any, will be assessed by the City of New York, and the costs and expenses of utility usage to the Common Elements, will be paid by the Board of Managers and will be included in the Common Charges. See "Schedule B-Projected Budget for First Year of Condominium Operation" in Part I of this Plan, for a more detailed discussion of Common Charges. See also "Rights and Obligations of Unit Owners and The Board of Managers" in Part I of this Plan.

Each Unit Owner, upon obtaining title, will automatically have the right to vote for at the first meeting of Unit Owners, and at all meetings thereafter called for such purpose, members of the board. The Board of Managers shall be obligated to oversee the maintenance and repairs to the Condominium and shall ensure that the Condominium maintains casualty and liability insurance for the Premises.

A Unit Owner may decorate the interior of his Unit as he or she chooses, subject to compliance with the By-Laws (and any house rules and regulations promulgated in accordance therewith), and will be solely responsible for the cost of maintenance and interior repairs and for casualty and liability insurance for the Unit after Closing. The Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payments of, nor will his Unit be subject to any lien arising from the non-payment of taxes on other Units. In the opinion of Handwenger, Cardigna, Funkhouser & Lurman, P.A., counsel to Sponsor, under present income tax laws, a Unit Owner, similarly to a homeowner, may deduct from his income, for Federal, New York State and New York City income tax purposes, the real estate taxes and the interest paid on the mortgage of his Unit, if any, subject to the normal limitations contained in the applicable statutes.

The Board of Managers of the Condominium does not have the authority or ability to approve or disapprove Purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy, and as such, there may always be a substantial percentage of owners who are non-residents. There is no limitation on who may purchase a Unit in the Condominium.

The Statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the New York Real Property Law, as amended, commonly known as and hereinafter called the "Condominium Act." The Condominium will be subject to and will comply with the provisions of the Condominium Act. The Sponsor will record the Declaration of the Condominium, the By-Laws and a Declaration of Easements, Covenants and Restrictions in the Office of the City Register, Kings County, at the time the Plan is declared effective. From and after the date of recording the Declaration and By-Laws, the Sponsor will be the owner of all Units until they are sold and conveyed to the Purchasers thereof.

The prices for the Units offered for sale under this Plan are listed in Schedule A entitled "Offering Prices and Related Information" in Part I of this Plan. Such prices have been set by the Sponsor alone.

THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK OR ANY OTHER GOVERNMENTAL AGENCY, EXCEPT AS PREVIOUSLY SET FORTH.

The estimated Common Charges for each Unit for the first year of operation of the Property as a Condominium are also set forth in Schedule A.

This Plan, including all Schedules and Exhibits, constitutes the entire offer by the Sponsor and contains all of the material terms of the transaction. Copies of this Plan, all documents referred to in the Plan, and all Exhibits submitted to the Department of Law in connection with the filing of this Plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the site whenever the on-site sales office is open and at the office of the selling agent or sponsor. The Plan and the exhibits will also be available for inspection and copying at a reasonable fee at the Department of Law. The Plan may be amended from time to time upon filing an amendment with the New York State Department of Law and service of such an amendment upon Purchasers and Unit Owners.

Sponsor has obtained a construction loan for the project. There are minimum sales requirements contained in the Loan Documents. There are also minimum release prices more particularly set forth in the Loan Documents. The Sponsor will in good faith continuously, diligently, and actively market Units for sale in compliance with the Offering Plan, marketing plan. Budget, Condominium Documents, and Legal Requirements. The Plan may not be declared effective until 10% of the Units are in Contract. The Sponsor has reserved the unlimited right to sell, assign, mortgage, lease or sublet any Unsold Unit for any legal use after the First Closing (subject to any use restrictions set forth in the By-Laws of the Condominium), and to mortgage, pledge or hypothecate said Unsold Units, at any time after the recording of the Condominium Declaration without first offering such Units for sale or lease to the Condominium, and to post signs on the Property for this purpose. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner. However, Sponsor reserves the unilateral right to rent after consummation of the Plan rather than sell Units.

Sponsor has the right to sell Residential Units to Purchasers buying for investment, instead of personal occupancy. If the Sponsor makes a bulk sale of two (2) or more Residential Units to an investor, that investor will become a transferee successor Sponsor who will be bound by the Sponsor's representations.

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

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in Part I of the Plan are set forth below, which definitions are subject to the more particular definitions of such terms set forth in the Declaration and By-Laws included in Part II of the Plan:

Board of Managers: The executive and administrative entity elected by and designated to act for the Unit Owners in governing the Condominium.

Building: The Building known as the 68 Commercial Street Condominium, being constructed on the Land, with a street address of 68 Commercial Street, Brooklyn, New York 11222 on which will be located the Units of the Condominium.

By-Laws: The By-Laws governing the operation of the Condominium, the form of which is set forth in Part II hereof.

Closing or Closing Date: the date upon which a Unit is transferred by the Sponsor to the Purchaser under the Plan.

Common Charges: Assessments payable to the Board of Managers for the purpose of meeting Common Expenses.

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

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

Common Interest: The proportionate interest of each Unit Owner expressed as a numerical percentage in the Common Elements as determined in accordance with the Declaration. The total of all Common Interest percentages of all Unit Owners equals 100%. The Common Interests are the bases of determining, among other things, a Units Owner's: (a) voting power, (b) liability for a share of the Common Expenses, and (c) share of any distributions upon a termination of the Condominium.

Condominium: The Condominium will be established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

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

Facilities: All personal property and fixtures now or hereafter existing in, on, or under the Land or Building and either existing for the common use of the Unit Owners or necessary or convenient for the existence, maintenance or safety of the Property.

First Closing: The first date upon which title to a Residential Unit is conveyed to a Purchaser pursuant to the terms of the Plan.

General Common Elements: All of the Common Elements, which are not Limited Common Elements.

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

Limited Common Elements: The general term used to refer to a Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the owners of such Unit or Units.

Plan: the Offering Plan ("Offering Plan") to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-2 of Article 23-A of the General Business Law of the State of New York, as the same may be amended from time to time.

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

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

Purchaser: A purchaser of a Unit under a Purchase Agreement.

Sponsor: 68 Commercial Street LLC – 515 Rockaway Avenue, Valley Stream, New York 11581.

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

Unit Owner; Unit Owners: Any owner of any Unit. All of such owners are collectively called "Unit Owners".

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

a. General Description

This description is intended to outline generally the nature of the work, materials and equipment, obligations of Sponsor and to indicate the contemplated character of the Building, but shall not be interpreted as enlarging in any manner, directly or by reference, the obligations set forth in this Plan. A more detailed description and floor plans are set forth in the "Description of Property and Specifications or Building Condition", Exhibit D to Part II of the Plan.

The Condominium is being developed on a 2938 square foot parcel located at 68 Commercial Street, Brooklyn, New York. The Condominium will include three (3) Residential Units on one lot. The Property was purchased as a vacant lot with a small garage on it, which was then demolished. The Condominium will be a new construction.

Part II of this Plan contains detailed descriptions of the Condominium and online specifications prepared by Corcoran Group. Part II also contains a legal description of the Units and Common Elements. Exhibit E of Part II of this Offering Plan contains Plans for each type of Residential Unit.

Water supply, sanitary sewers, and storm sewers servicing the Building are provided by the City of New York and Electric Service is provided by the Con Edison. There will be no connection to natural gas in either building. All systems will be electric. It is the responsibility of the Unit Owner to obtain such services from an internet, cable and telephone service providers servicing the Condominium. Sponsor makes no representation as to which service provider will be available to the building.

Working drawings for the Condominium have been filed with, and approved by, the Department of Buildings of the City of New York and will be available for inspection at the Sponsor's field office at 515 Rockaway Avenue, Valley Stream, New York 11581 or at the Selling Agent's office at Corcoran Group, 245 Bedford Avenue, Brooklyn, New York 11211 during regular business hours.

b. Residential Unit Owners

Each Unit Owner will pay for any electricity consumed; electricity in common areas and water and sewer consumption by the Unit Owners will be measured by a meter or meters installed in the Building and paid for as a part of Common Charges. Hot water and electric for cooking for the Units will also be a Common Expense. Domestic hot water will be supplied by electric water heaters within each unit. All residential units have their own independent electric domestic hot water heating units. Washing machines have their own internal water heaters.

Residential Units will contain plumbing fixtures and kitchen cabinets. Each bathroom (except powder rooms) will include a water closet and a lavatory sink, and a bathtub or shower. Each kitchen has a range, hood exhaust fans, refrigerator, dishwasher, and microwave. Each Residential Unit will be pre-wired for telephone service, cable television, and internet facilities. All Residential Units will have one laundry closet with hookups for domestic, stackable type, electric washing machines and electric dryers; there will not be a common laundry room. All residential units will be fitted with hard-wired interconnected smoke and carbon monoxide detectors per Code. Each device will have a test button for occupant testing. Some Residential Unit Owners will have a Terrace for their personal use. There will be a split, forced air, H.V.A.C. system supplying both heating and air conditioning to each Unit. The compressor and condenser units, which will generate the energy required for cooling/ heating will be located at the roof area above the star and elevator bulkhead.

The Sponsor is installing hardwood flooring in the bedroom and kitchen areas of each Residential Unit. Prospective Purchasers are advised that this material is subject to expansion and contraction and to changes in color. The flooring is affected by humidity and water conditions. It is not a solid, continuous piece or wood, and the flooring strips may vary in appearance within the same room, or between rooms, or in different apartments. The living and dining areas shall be finished with ceramic tile, thereafter Unit Owners may finish with carpeting or another material of their own choice and at their own expense.

The Sponsor is installing a washbasin, medicine cabinet, water closet and a combination bathtub/shower or a shower in the master bathrooms of the Residential Units. Bathrooms shall have ceramic tile floors, the tile around the bathtubs or showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant gypsum wallboard.

c. Compliance with Applicable Laws

The Units, the Building and all other improvements will comply with applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction. The Sponsor and all other Persons engaged by the Sponsor in connection with this Plan have complied with and will comply with all applicable rules, regulations, and other governmental requirements pertaining thereto, including but not limited to, the New York City Zoning Resolution and Building Code and Multiple Dwelling Law of New York State, if applicable.

It is anticipated that a Temporary Certificate of Occupancy will be issued for the Building in December 2024. At the time of the First Closing, Sponsor expects, but does not guarantee that the construction of the Building will have been substantially completed. Exterior painting and any plantings should be completed prior to Closing, but the Sponsor reserves the right to perform these functions after closing of title, if precluded from doing so to passing to title by weather or other conditions beyond the Sponsor's control. In any event, all landscaping will be completed in accordance with accepted practices within six (6) months of the issuing of the Final Certificate of Occupancy for the Building.

d. Construction Timetable

Sponsor commenced construction in March 2023 and is expected to substantially complete work in December 2024. The date of completion may change as a result of bad

weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which the Sponsor has no control.

The Units and Common Elements will be constructed substantially in the manner set forth in the working drawings and specifications drawn by StudiosC Architects and filed with the City Department of Buildings. The Property will be improved and the Units constructed in accordance with all applicable zoning and building laws. The Plans and specifications will not be changed after the date hereof so as to materially adversely affect the Unit Owners. For a detailed description of the Units and Common Elements, See Exhibit D, in Part II of this Plan.

e. Legal Description of a Units

The units were measured from the exterior sides of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts/ are not deducted) and to the inside face of vertical shaftway elements. Any common elements located within a unit shall not be considered a part of such unit. As is customary in New York City, these square foot areas exceed the useable floor area of each Unit.

Measured vertically, each Unit will consist of the volume from the top of the concrete floor slab below (located under the finished flooring and sub-floor materials) to the underside of the concrete slab and/or drywall ceiling above. However, the Board, Sponsor and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts and other facilities in the space between the underside of each such floor slab and the top surface of each Unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same. The clearance between the top of the concrete floor slab and the bottom of the finish ceiling in the Units is indicated in section G of the Architect's Plan, but certain Units and areas within other Units may have clearances of less than indicated in section G. to accommodate facilities located above the same or otherwise to respond to field conditions.

f. Legal Description of the Common Elements

Generally, the Common Elements consist of all of the Property and improvements, except the Units. The General Common Elements include the Land, the foundations, columns, beams, supports, girders, joists, exterior and party walls, roofs and supports of the Building and those rooms, the lobby and other areas, corridors, spaces, and other parts of the Building, all equipment and Facilities for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Property.

Certain portions of the Common Elements serve or benefit exclusively particular Residential Unit Owners. Thus, a certain Residential Unit has direct access to a Private Patio/Garden/Terrace as a limited common element.

The Board of Managers of the Condominium will operate, manage, and control the Common Elements. A Unit Owner's individual percentage interest in the Common Elements may not be separated from the Unit to which it is appurtenant. The Declaration further defines the Unit and

the Common Elements, and it provides the framework and procedures by which the Board of Managers will maintain and administer the Common Elements.

The Declaration gives each Unit Owner a non-exclusive easement to use the Common Elements, as well as easements in, over and under all Common Elements to connect with and make use of certain utility and drainage lines. The Declaration also makes provision for various easements, including those in favor of the Sponsor necessary for the completion of construction and the sale of all Units in the Condominium, the completion of the Common Elements and the further sale or leasing of Units. The By-Laws obligate the Board of Managers to maintain and repair the public hallways and stairways and all of the open areas within the Common Elements, with said maintenance duties, specifically including snow removal and landscape maintenance.

g. Services and Facilities

Under present plans, all of the services and facilities described herein will initially be provided and made available to Unit Owners following the First Closing, except as otherwise indicated in the Plan. At the time of the First Closing, the Building will be staffed with a part time superintendent. The Sponsor will provide all facilities, such as the amenity roof terraces, within 6 months following the First Closing. The completion of facilities will depend, in part, upon the timing of the completion of the construction of various areas of a Building, the sequence in which such work is performed, the rate at which the various Units become occupied, the sequence in which such occupancy takes place and other similar factors. Although the Sponsor anticipates substantial completion of construction on the Building by December 2024, it may experience delays during construction, such as obtaining the requisite governmental approvals and scheduling Closings. Such delays may inconvenience potential Purchasers and could result in the expiration of mortgage commitments. See Special Risks - Section 15 “Financing Contingencies” with respect to expired or lapsed commitments.

(i) The intercommunication system shall be Butterfly or similar system.

(ii) There will be one passenger elevator provided in the building. It shall be a single car, fully automatic, Monospace 500 model as manufactured by Kone Corporation. The elevator will have a capacity of approximately, 3,500 pounds, shall be capable of accommodating approximately six persons at a time, and shall serve the first through fifth floors of the building. Additionally, the elevator shall be equipped with a key or code entry device which shall limit access to the second, third, fourth, and fifth floors. The elevator mechanical room will be located on the first floor level adjacent to the elevator enclosure.

(iii) United States Postal Service approved mailboxes will be provided within the interior of the first floor lobby in each building. All mail will be delivered to each Building by the United States Post Office and be distributed by its personnel. Each building will have a separate mailing address.

(iv) It is anticipated that the Building will be staffed by a part time superintendent. The Building managed by EBD Management Services LLC and will hire the Building staff and this will not be included in the management fee, and instead is listed on the Schedule B as a separate line item.

(v) Each Residential Unit has its own four burner gas range or four burner electric range and one electric refrigerator. Each Residential Unit will be equipped with 100 Amp fuses and circuit breakers, equipped to handle modern usage and appliances such as dishwashers and electric washers and dryers.

(vi) Garbage and refuse disposal shall be the responsibility of each Residential Unit's occupant. Occupants shall dispose of their garbage in the refuse bins which will be located at the yard area to the front of the building. Residential garbage will be removed from the bins and packaged by a janitorial service. Refuse shall be placed at curb level the night before scheduled pickups; from where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

No representation or warranties made and no assurance can be given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor, there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling and leasing activity will terminate. Neither Sponsor nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to the Building's entrance lobby, provided that any such failure is not caused by the gross negligence of Sponsor, the Managing Agent or their respective agents.

h. Streets

The Condominium will be accessible via the main entrance door along Commercial Street. The cost of the maintenance of this areas is included in the Common Charges paid by Unit Owners.

i. Drains

According to the Architects Description of Property found in Part II of the Plan, The open roof areas shall be pitched at minimum slope of approximately 1/8" per foot to controlled flow roof drains with adjacent overflow drains and internal leaders. Roof drains and leaders shall be of cast iron and shall be connected to the building's storm drainage system. The roof area above the stair and elevator bulkhead will be equipped with aluminum scuppers and leaders which will drain to aluminum splash blocks at the roof above the fifth floor. The design of the roof and site drainage system (Site Connection Proposal) was reviewed and approved by the New York City Department of Environmental Protection, as a prerequisite of the building plans being approved by the New York City Department of Buildings. The drainage system was designed to comply with Section 1503.4 of the 2014 N.Y. City Building Code. There will be aluminum scuppers and leaders at the roof area above the stair and elevator bulkhead which will drain the runoff to aluminum splash blocks and to the roof drains above the fifth floor level.

Maintenance and repairs of the building's drains will be the responsibility of the Building Management. In the event of water damage to a residential unit as a result of a drainage leak,

all repair cost will be incurred by the Board of Managers. A claim will be made to the insurance company for the responsible party.

j. **Lot Line Windows**

There are no lot line windows in the 68 Commercial Street Condominium. A lot line window is a window that is built on the side of a building that shares a boundary line with a neighboring property.

k. **No Dollar Limit Warranty**

The expected life span of the roof type is ten (10) to fifteen (15) years. A minimum fifteen (15) year No Dollar Limit manufacturer's warranty for materials and labor shall be provided for the flat roof areas. The warranty will commence when the installation of the roof has been completed. The Sponsor will verify with the roof manufacturer that the installation of the roof paving as support pedestals will not affect the roof warranty.

l. **Allocation of Common Interests**

The Common Interest of each Unit Owner in the Condominium establishes the Unit Owner's 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 as set forth on Schedule A. In accordance with Section 339-i(1)(iv) of the Condominium Act, such Common Interest has been based primarily upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive shared used and the overall dimensions of the particular Unit.

LOCATION AND AREA INFORMATION

The Property is located on Commercial Street between Box Street and Clay Street. The property is in the Greenpoint section of the Borough of Brooklyn. Greenpoint is bordered by Long Island City to the North, Manhattan to the West, Williamsburg to the South and Ridgewood/Maspeth to the East. The neighborhood is part of Brooklyn Community District 1.

The Sponsor has no other projects within the immediate vicinity of the Building and has no development projects approved by the NYC Department of Buildings that will be adjacent to or directly across the street from the Building. The adjoining parcels contain existing residential and manufacturing/warehouse buildings. Any change in this information that occurs while sales are continuing will be disclosed in an amendment.

Educational Institutions

Grade Schools				
	P.S. 384 Hunter's Point Elementary School	PK,0K,01,02,03,04,SE	1-35 57th Avenue	2.0 mi
	P.S. 34 Oliver H. Perry	PK,0K,01,02,03,04,05,SE	131 Norman Avenue	1.1 mi
	P.S. 031 Samuel F. Dupont	PK,0K,01,02,03,04,05,SE	75 Meserole Avenue	1.1 mi
	Ardor School	PK,0K,01,02,03,04,05,06, 07,08	29 Nassau Avenue	1.2 mi
Intermediate/Junior High Schools:				
	John Ericsson Middle School 126	06,07,08,SE	424 Leonard Street	1.6 mi
	Hunters Point Community Middle School	06,07,08,SE	1-50 51st Avenue	1.7 mi
	P.S./ I.S. 78Q	PK,0K,01,02,03,04,05,06,07,08,SE	48-09 Center Blvd	1.8 mi
High Schools:	Northside Charter High School	09,10,11,12	424 Leonard Street	1.6 mi

Sponsor, however, makes no guarantee or representation as to which school a child residing at the Building may be able to actually attend.

Municipal Services

A. Transportation:

The nearest subway line is the G line stopping at the Greenpoint Avenue station (Manhattan Avenue and Greenpoint Avenue). There are many bus routes in the vicinity of the Building as follows:

B43; Greenpoint - Lefferts Gardens

B32; Williamsburg - Long Island City

B. Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance:

These services are provided by the City of New York and all charges (except water) are incorporated into City taxes. The property is located within the 94th Police Precinct located at 100 Meserole Avenue. The property is located within Engine 238 & Ladder 106 Firehouse located at 205 Greenpoint Avenue.

C. Public Library:

The Brooklyn Public Library branch servicing the area is the Greenpoint Library Branch located at 107 Norman Avenue at Leonard St.

D. Parks:

Parks in the area of the Property include Manhattan Avenue Park, McCarren Park and the Greenpoint Playground.

E. Mailing Address and Postal Services:

The mailing address of the Property will be "68 Commercial Street, Brooklyn, New York 11222". The post office servicing the Property is the Greenpoint Post Office located 66 Meserole Avenue

F. Medical Facilities:

Manhattan Avenue Family Health Center	960 Manhattan Avenue
NYC Health + Hospitals/Gotham Health, Greenpoint	875 Manhattan Avenue
UMD Urgent Medical Care	633 Driggs Avenue
CityMD Urgent Care	795 Manhattan Avenue
Manhattan Medical	934 Manhattan Avenue

G. Religious Institutions

St. Cyril & Methodius Church	150 Dupont Street
Church of the Ascension	127 Kent Street
St. John's Lutheran Church	155 Milton St
Greenpoint Islamic Center	602 Leonard Street
Greenpoint Shul	108 Noble Street

Sponsor makes no guarantee or representation as to the continued operation of any of the services or amenities disclosed in this section of the Plan.

SCHEDULE A

68 Commercial St Condominium
68 Commercial St Brooklyn NY

PURCHASE PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION DECEMBER 1, 2024 TO NOVEMBER 30, 2025

(1) UNIT	(1) NO. BED-ROOMS	(1) EXTERIOR SPACE NO. BATHS/ HALF BATHS	(2) APPROX UNIT SQUARE FOOTAGE**	(2) APPROX EXTERIOR SQUARE FOOTAGE UNINHABITABLE*	(3) OFFERING PRICE	(4) RESIDENTIAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(5) PROJECTED ANNUAL COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES	(6) PROJECTED ANNUAL RE TAXES	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES
1	3	2.5	1,946	835	$3,295,000.00	36.5615%	$1,874.14	$22,489.73	$945.66	$11,347.95	$2,819.80
2	2	2.0	1,097	204 **	$1,850,000.00	19.4791%	$998.50	$11,982.00	$503.83	$6,045.92	$1,502.33
PH	3	2.5	2,310	1,123**	$3,950,000.00	43.9594%	$2,253.37	$27,040.39	$1,137.01	$13,644.13	$3,390.38
RESIDENTIAL TOTAL			**5,353**	**2,162**	**$9,095,000.00**	**100.0000%**	**$5,126.01**	**$61,512.12**	**$2,586.50**	**$31,038.00**	**$7,712.51**

* The Exterior Square Footage (balconies) may not be legally used as a bedroom or living room and that in doing so may result in a building code violation being issued to the building.

** The Exterior Square Footage is a limited common element and a terrace

FOOTNOTES TO SCHEDULE A

(1) See Part II, for Plot Plan for Unit Floor Plans.

These columns reflects the number of bedrooms and bathrooms in each apartment. Powder rooms, which consist of a sink and toilet, are counted as .5 bathrooms. Bedrooms and bathrooms are designated in accordance with the NYC 2014 Building Code and the Multiple Dwelling Law.

(2) The Residential Unit interior square footages are approximations only and are subject to field conditions, construction variances and reasonable tolerances. These dimensions exclude the area of any Terraces. They substantially exceed the useable floor area of each Residential Unit and are calculated pursuant to the legal definition of Residential Unit, as contained in the Declaration.

The square footage of the outdoor areas called "Terraces" they are approximations only and are subject to field conditions, construction variances and reasonable tolerances.

(3) The Purchase Price (or "Offering Price") of a Unit has been set by the Sponsor and is not subject to the approval of any governmental agencies. No change will be made in the Purchase Prices, other than pursuant to a duly filed amendment to the Plan, filed in advance of any such change, except that Sponsor reserves the right to decrease the Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction. The Sponsor will amend the Plan to provide the disclosures regarding any terms of sale as required by the regulations of the Department of Law.

In addition to the Purchase Price, the Purchaser will be responsible at Closing for certain closing costs, as set forth in "Section 15: Closing Costs and Adjustments." Section 15 discloses that Purchasers are responsible for the payment of transfer taxes, and the Sponsor's attorney fees. Because of these obligations, which are usually paid by Sellers, are being shifted to Purchasers. Purchasers are also responsible for payment of the $125 fee chargeable for filing the New York State Real Property Transfer Report. Each Purchaser will be obligated to pay Sponsor's attorney's fee, as well as a payment to the Condominium of a working capital deposit equal to one month's Common Charges and a payment to the Condominium of a utility deposit equal to one month's projected utility costs as stated on Schedule B-1.

(4) Section 339i(1)(iv) of the Condominium Act requires that each Unit have appurtenant thereto a Common Interest as expressed in Schedule A. In accordance with such Section, the Sponsor has calculated such interests to be based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominiums, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that Sponsor negotiates with individual Purchasers to change the layout or dimensions of their respective Units and such changes involve the inclusion in the Unit of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Interests of all of the Units may change slightly. The Schedule A will be revised accordingly.
The Residential Common Interest is the Common Interest minus the Retail Unit.

(5) Monthly Common Charges have been estimated by the Sponsor (see Schedule B), if the first year of operation will be December 1, 2024 through November 30, 2025. The actual first year of operations may be earlier or later than such year. The Sponsor retained Brooklive Management, 3008 Avenue J, Suite 103, Brooklyn, New York 11210, to review Schedules B and B-1. Common Charges include maintenance and operation of the Common Elements, fire and liability insurance for the Condominium and Common Elements, gas for cooking and hot water and electricity for the Common Elements and water and sewer charges, but do not include

electricity for heating and air conditioning for Residential Units, which will be separately metered, interior repair and decoration of Units, cable television service, fire or liability insurance which may be carried by the Unit Owner for personal belongings and personal injury or property damage as a result of occurrences in or to a Unit. The Sponsor is not offering or procuring mortgage financing for Purchasers. If a Purchaser obtains financing, the Purchaser's debt service will be an additional expense.

(6) Columns (6) set forth projected monthly and yearly real estate taxes for each of the Units for the period December 1, 2024 through November 30, 2025. Section 339-g off the Condominium Act provides that each Unit and its Common Interest is subject to separate assessment and taxation. Real estate taxes have been estimated as described in the Opinion of Metropolitan Realty Exemptions, Inc., included in the Plan. A Unit Owner will not be responsible for the payment of, nor will the Unit be subject to any lien, arising from the non-payment of real estate taxes on the adjoining Units. After the Condominium is divided into individual tax lots (which may not occur until December 1, 2024 or some later date), 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.

The estimates set forth in Columns (6) are calculations of the real estate taxes due for each Residential Unit and retail unit for the first year of Condominium Operation commencing on December 1, 2024 and ending on November 30, 2025. Therefore, the estimates are based upon one month of the 2023/2024 tax year and eleven months of the 2024/2025 tax year.

Estimates of real estate taxes due for the Units, without real estate tax benefits are based upon (i) the estimated assessed valuation for the Property for the tax years 2023/2024 and 2024/2025 (ii) allocation of the assessed valuation to the Residential Units, and the Retail Unit and (iii) the projected tax rates for the tax years 2023/2024 and 2024/2025.

Subsequent to completion of construction, any increase in the Actual Total

Assessed Valuation of the Property, which, barring a major improvement or alteration to the Property, will be phased in over five (5) years at twenty percent of the increase in actual assessed value per year and will be reflected in the transition assessed value. Since the Property is being constructed into "Class A" apartments, which construction will commence pursuant to a new building permit, it can be expected and it is projected that the Actual Assessed Valuation will be increased for the 2024/2025 tax year due to such construction without a phase-in on the transition assessed value.

The estimated taxable assessed valuations for the Units and projected tax rates are based on the Opinion of Metropolitan Realty Exemptions, Inc., dated May 18, 2023 which is set forth in the Plan (the "Metropolitan Opinion Letter").

The estimated transitional assessed valuation of the Property for tax year 2025/2026 to be set by the New York City Department of Finance is $524,790. Because construction is anticipated to be complete by December 2024, the Metropolitan Opinion Letter has projected that the Property will be assessed for 2025/2026 as 100% completed, and projected that the assessment will be $64,376.

When Units are separately assessed, the Metropolitan Opinion Letter in Part II of the Plan, opines that the assessed valuation of the Units may be made based on the total percentage of common interest of each type of Unit, as set forth in the condominium declaration if such percentages are rationally and fairly determined.

The Metropolitan Opinion Letter in Part II of the Plan, assesses that the Department of Finance would likely assign the property to Tax Class 2 (2C) after completion of construction and transfer into a condominium association as the condominium project shall be more than 3 stories high.

The Class 2 tax rate for fiscal year 2023/2024 has been set at $12.267 per $100 of assessed value. Tax rates for future years have not been set by the New York City of Department of Finance. The Metropolitan Opinion Letter has projected that the Class 2 rate will be $20.309 per $100 of assessed value for fiscal year 2024/2025 and that Class 2 rate will be $12.267.80 per $100 of assessed value in

2025/2026. The estimated real estate tax obligations of the Unit Owners for the First Year of Condominium Operations, without tax benefits, is based on the taxes for 83% of 2024/2025 and 17% of 2025/2026 tax years with an assessed valuation of $100,000 and $87,465 respectively. The total taxes are estimated to be approximately $31,038 for Residential Units.

SPONSOR MAKES NO REPRESENTATION AS TO THE VIABILITY AND THE CALCULATION OF THE ASSESSED VALUES OF THE PROPERTY, THE TAX RATE, THE METHOD OF ASSESSING REAL PROPERTY AND THAT ALL OF THESE CALCULATIONS ARE CORRECT OR WILL BE UNCHANGED. EACH UNIT OWNER WILL BE LIABLE FOR THE PAYMENT OF THE SUM FULL REAL ESTATE TAXES AFTER CLOSING, REGARDLESS OF THE METROPOLITAN OPINION LETTER INCLUDED IN THE PLAN.

In the opinion of counsel to the Sponsor, each Residential Unit Owner, who occupies a Residential Unit as a primary residence and who itemizes deductions may, under present income tax laws, may deduct from his or her income, for the purposes of federal, State and City income taxes, any real estate taxes paid with respect to such unit and interest on the unit mortgage, subject to certain limitations, as set forth in counsel's opinion. The projected income tax deductions may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal or due to changes in real property taxes resulting from the expiration of real estate tax benefits or from changes in the assessed value, the tax rate or the method of assessing real property. As to the new changes to the Tax Cuts and Jobs Act, the federal deductions of state and local taxes are now capped at $10,000.00.

The Projected Total Monthly Carrying Charges (Column 6) consist of the sum of Projected Monthly Real Estate Taxes (Column 6) and the Projected Monthly Common Charges (Column 5).

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

BEGINNING DECEMBER 1 2024

Projected Income

(1)Common Charges	$61,512.12
TOTAL	**$61,512.12**

Projected Expenses

(2) Labor	$6,027.84
(3) Water & Sewer	$7,000.00
(4) Utilities (Electricity & Gas)	$2,773.32
(5) Repairs & Maintenance	$1,500.00
(6) Service & Supplies	$12,706.09
(7) Insurance	$9,750.00
(8) Management Fee	$10,000.00
(9) Professional Fees	$2,500.00
(10) Administration	$1,000.00
(11) Contingency Fund	$2,662.86
(12) Reserve Fund	$5,592.01
TOTAL	**$61,512.12**

FOOTNOTES TO SCHEDULE B

Footnotes, which appear on the following pages, are deemed to be part of this Schedule. If the projected commencement of the budget year (December 1, 2024 – November 30, 2025) is delayed by more than six months from the actual date of the First Closing, this Plan will be amended to include a revised budget disclosing current projections. If the amended projections exceed the original by 25% or more, in the aggregate, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements for a period of fifteen (15) days subsequent to the date of presentation of such amendment and, if not otherwise in default, have their deposits refunded with interest, if any, whether or not the Sponsor offers to guarantee the earlier budget projections.

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain in obligated to update the budget for the Condominium as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing and post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment tot eh Offering Plan as a benefit to subsequent purchasers. The Sponsor may not declare the Plan effective where there are any material changes to the Budget, if these changes have not been disclosed by a duly filed amendment to the Plan.

The Footnotes to Schedule B for each expense items describes the method of allocation of the common expenses. This allocation is based on the provisions in Section 339-m of the Real Property Law which permits that "expenses may be specially allocated and apportioned based on special or exclusive use or availability or exclusive control or particular units or common areas by particular unit owners."

(1) COMMON CHARGES – ($61,512.12)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing December 1, 2024. The actual first year of operation may be earlier or later.

The budget was prepared by the Sponsor and reviewed for accuracy by Brooklive Management based upon the operation of comparable condominium projects in New York City and projection prepared by professionals. It cannot be construed as an assurance of final expenses, and it is based upon information available to Sponsor and Brooklive Management.

The budget does not include any interest income that may be received by the Board of Managers as a result of investing Condominium fund. The amount of such income cannot be accurately predicted and may not be significant.

(2) LABOR – ($6,027.84)

The Budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected building staff off 1 Superintendent.

The wage estimates have been made by Brooklive Management. No warranty is made as to the actual wages, salaries, benefits and related payroll expenses which will be applicable and in effect during the first year of cooperative operation. The projected expenses for wages, salaries and benefits are, however, believed to be reasonable and reflect the experience of Sponsor's budget expert with comparable buildings. Members of the staff will not be union members and will be employees of the Condominium. In opinion of the Sponsor, the level of staffing described herein complies with all applicable housing and labor laws.

The employees will be devoting a substantial portion of their time and effort to service the Residential Units and Residential Common Elements.

Labor Cost	Description	Gross Wage
(1) Super	$4,800.00 Yearly Wage	$4,800.00
Fica @ 7.65 of Base Wages		$367.20
Worker's Compensation		$183.84
Futa @.6 of 1st $7,000.00 per employee		$420.00
NY SUI @ 3.6. New Employer Rate		$196.80
NY Disability @ $60 per employee		$60.00
Sub Total Benefit		$1,227.84
Total Cost		$6,027.84

(3) WATER & SEWER – ($7,000.00)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from Earth First Consulting dated July 19, 2023, water and sewer charges are based upon an assumed occupancy of 16 people (2 occupants per 1 bedroom) and usage of 40 gallons per day per occupant. The NYC Water Board currently charges $10.33 per hundred cubic feet of water and sewer (approx. 748 Gals.). There will be one meter servicing the entire building. 40 Gallons, by16 occupants, by 30 days is equal to 19,200 Gals, totaling 25.7 HCF. The estimated monthly cost is calculated as $10.33, by 25.7 HCF, totaling $265.48.

Water and sewer charges have climbed dramatically in the past few years; it is possible that water and sewer charges will also increase substantially in the future.

(4) UTILITIES (ELECTRICITY & GAS) – ($2,773.32)

The electricity consumption for the first year of Condominium operation for the Common Elements was estimated by Earth First Consulting in a letter dated March 6, 2023. The estimated monthly average electric use for the 3-Bedroom Duplex Unit (approx. 1,946 ft^2) is 1695.3 kWh. The estimated monthly average electric cost is $215.81, calculated as 0.1273 $/kWh including a basic service charge of $20.00. The estimated monthly average electric use

for the 3-Bedroom Duplex Unit (approx. 2,237 ft^2) is 2064.2 kWh. The estimated monthly average electric cost is $262.78, calculated as 0.1273 $/kWh including a basic service charge of $20.00. The estimated monthly average electric use for the 2-Bedroom Unit (approx. 1097 ft^2) is 1296.4 kWh. The estimated monthly average electric cost is $165.40, calculated as 0.1273 $/kWh including a basic service charge of $20.00. The estimated monthly average electric use for the Residential Common elements is 1815 kWh. The estimated monthly average electric cost is $231.11, calculated as 0.1273 $/kWh including a basic service charge of $20.00.

This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors.

Since the Property will be newly constructed, it has no recent reliable operating history. Thus, it is not possible to predict how closely the budgeted figure will reflect the actual expenses for electricity to be incurred during the first year of consumption and the rate charged by Con Edison.

The amount projected in the budget includes the electric energy consumed by each Residential Unit Owner for the operation of appliances, lighting and the incremental heating/air conditioning units. See Schedule B-1. Each Residential Unit will be metered and billed individually for electricity consumption.

(5) REPAIRS & MAINTENANCE – ($1,500)

Since the Building will be newly constructed it has no operating history upon which to project future costs or repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective Units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto. Repairs and Maintenance have been allocated to all Units based upon each Unit's respective percentage of Common Interest.

(6) SERVICE & SUPPLIES ($12,706.09)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation, from the contractor who will install the system. No maintenance or service contracts have been entered as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in costs that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following services:

Services & Supplies	
Window Cleaning	$0.00
Elevator Maintenance	$6,240.00
Verizon Internet/ Cameras	$1,997.89
Exterminator	$1,633.20
Fire Alarm	$1,800.00
Sprinkler/ Standpipes	$1,035.00
	$12,706.09

The cost for Services and Supplies have been allocated to the Residential Units only based upon each Residential Unit's respective percentage of Residential Common Interest.

(7) INSURANCE – ($9,750)

The budgeted amount is based upon the proposal, dated May 25, 2023, by Unilite Insurance a Division of HUB International Northeast Limited having an office address at 100 Sunnyside Boulevard, Woodbury, NY 11797. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, Including Boiler & Machinery and Flood Coverage, with the following General Coverage and Limits:

Property Policy/ General Liability Policy

$3,030,000	Building, All Risk "Special Form", No Co-insurance – Replacement Cost, $5,000.00 Deductible Terrorism-Included
$100,000	Business Income
Included	Building Ordinance Coverage A
$250,000	Flood Annual Aggregate - $25,000 Deductible
$25,000	Sewer Backup
$250,000	Earthquake Coverage - $25,000 Deductible
$100,000	Contents
Included	Boiler & Machinery
Included	Terrorism
$303,000	ICC & Demolition – Each Occurrence
$1,000,000	Hired & Non-Owned Auto
$1,000,000	Liability - Each Occurrence
$2,000,000	Liability -Annual Aggregate

The annual premium for the above-mentioned insurance policy is estimated to be $9,750.

Umbrella Liability

$5,000,000	Umbrella Liability Limit – Per Occurrence/Annual Aggregate

The annual premium for the above-mentioned insurance policy is estimated to be $6,500.

Directors & Officers

$1,000,000	Directors & Officers Liability – Per Occurrence/Annual Aggregate $2,500-Deductable

The annual premium for the above-mentioned insurance policy is estimated to be $2,000.

Crime Fidelity Insurance

$100,000	Employee Dishonesty Policy

The annual premium for the above-mentioned insurance policy is estimated to be $500.

Cyber Liability Insurance

$1,000,000	Cyber Liability Policy

The annual premium for the above-mentioned insurance policy is estimated to be $2,000.

Although the budgeted amount is believed to be reasonable, it is noted that insurance premiums have increased in the recent past and may continue to rise in the future. Unit Owners are advised to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacements, additions, fixtures, upgraded fixtures and improvements, and liability coverage for occurrences within the Unit or the Limited Common Elements. Purchasers should note that the foregoing insurance policy will not cover losses sustained to personal property or to fixtures located within Units or appurtenant Limited Common Elements which re not the responsibility of the Board of Managers to maintain or repair nor will it cover liability for personal injury or property damage for occurrences within Units or any appurtenant Limited Common Elements. Insurance coverage for such items, if desired, will be at the sole expense of each Unit Owner. In the event of damage to any Limited Common Element which is covered by the insurance, any insurance proceeds relating thereto will be paid by the Board of Managers or insurance trustee to the affected Unit Owner, if such Unit Owner is obligated to repair the damage. A fidelity bond for the Managing Agent is included.

In the opinion of Unilite Insurance a Division of HUB International Northeast Limited, the amount of fire insurance coverage is adequate to cover replacement cost; the policy is for an agreed amount and the replacement cost is based on construction cost. The fire, casualty and general liability policy will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Board of Managers or other authorized party and Permitted Mortgagees who have requested such notice writing. The policy will waive subrogation, invalidity because of the acts of the uninsured and Unit Owners and any pro-rata reduction if Unit Owners obtain additional coverage.

(8) MANAGEMENT FEE – ($10,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with EBD Management Services LLC, having an office address of 515 Rockaway Avenue, Valley Stream, NY 11581, a real estate management firm. The agreement will be for an initial term of three (3) years. Thereafter, the agreement will be automatically renewed from year to year, but

may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $10,000.00. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to each unit based on each Unit's respective percentage of Common Interest.

The duties of the Managing Agent include among other things:

a) Billing and collecting Common Charges;
b) Causing the Common Elements to be maintained and repaired;
c) Contracting for necessary services for the Common Elements
d) Purchasing supplies necessary to properly maintain and operate the Common Elements;
e) Reviewing bills received in connection with the operation of the Common Elements and causing such bills and other expenses to be paid;
f) Supervising, hiring and discharging employees and contractors;
g) Maintaining accurate sets of books and records (other than books of account to be maintained by the Condominium's accountants);
h) Sending notices and preparing agendas for meetings of the Board of Managers
i) Processing sales and leases of Units for a processing fee.

(9) PROFESSIONAL FEES – ($2,500)

The Board of Managers may retain professional services to act for the Condominium. The estimated cost for miscellaneous, but not major legal services, for the first year is $2,500. The Professional fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

These professional fees are for the entire Condominium and have been allocated to all Units within the Condominium based upon each Unit's percentage of Common Interest.

(10) ADMINISTRATION – ($1,000)

The budgeted amount includes anticipated expenses for telephone, cell phone, postage, printing, miscellaneous office supplies, payroll processing costs, permits and legal fees and local telephone usage in the Building Manager's office.

These costs for administrative fees have been allocated to each Unit within the Condominium based upon each Unit's respective percentage of Common Interest.

(11) CONTINGENCY FUND – ($2,662.86)

The contingency fund is approximately 5% of all the budgeted costs ($53,257.25) for the operation of the Condominium and provides a fund for possible expenses not included in the projected budget or possible increases in one of more categories of operation expenses beyond the projected amounts. It is included in the budget to provide funds for the unforeseen increase in Residential Common Expense and General Common Expense. The contingency fund is not intended to pay for Capital Improvements or repairs.

The contingency fund is for the entire Condominium and has been allocated to all Units within the Condominium based upon each Unit's respective percentage of Common Interest.

(12) RESERVE FUND – ($5,592.01)

The amount budgeted Reserve Fund is approximately 10% of the sum of all budgeted costs plus the contingency fund. There will be no additional reserve fund provided by the Sponsor.

The Reserve Fund will be deposited into the Condominium's Reserve Fund account by the Managing Agent in order to finance any needed capital expenditures such as the renewal or replacement of building components or systems or to remedy major building defects. If additional funds are required, the Condominium will have to increase Common Charges and or impose a special assessment. No representation is made as to the actual or anticipated cost or timing or nature of any such capital work or the adequacy of any such reserve.

This Reserve Fund is for the entire Condominium and has been allocated to all Units based on each Unit's respective percentage of Common Interest.

(17) TOTAL PROJECTED EXPENSES – ($61,512.12)

The projection set forth in this budget assume that the first year of Condominium operation will cover the period from December 1, 2024 through November 30, 2025.

IN THE OPINION OF BROOKLIVE MANAGEMENT, AS SET FORTH IN THE CERTIFICATIONS OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF THE BUDGET, IN PART II OFF THE PLAN, THE PROJECTED INCOME APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING DECEMBER 1, 2024. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM BOARD WILL BE AS SET FORTH IN THE BUDGET. IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B-1

5th December 2023

RE: New Residential Building at
68 Commercial Street
Brooklyn, NY 11237
Tax Block: 2482, Tax Lot: 16

To Whom It May Concern,

Earth First Consulting is presently engaged in providing utility cost estimate services for a mid-rise residential building located at 68 Commercial Street, Brooklyn. The project is approximately_6780_square feet with a total of four (4) stories and a cellar level. The building will have three (3) residential units. These estimates are based on 2023 being the first year of operation (Jan 1, 2023– Dec 31, 2023).

The residential portion will consist of the following:

(2)	3-Bedroom Duplex Unit
(1)	2-Bedroom Units
3	**Total Dwelling Units**

The following is a preliminary breakdown of the estimated monthly costs for electricity.

WATER & SEWER

The estimated cost for water and sewer is based on an assumed occupancy of 16 people (2 occupants per 1 Bedroom) and usage of 40 gallons per day per occupant. The NYC Water Board currently charges $10.33 per hundred cubic feet of water and sewer (approx. 748 Gals).

There will be one meter servicing the entire building. 40-Gals x 16 occupants x 30 days = 19,200 Gals = 25.7 HCF

Estimated monthly cost = $10.33 x 25.7 HCF = $265.48

ELECTRICITY

I. 3-Bedroom Duplex Unit (approx. 1,946 ft²)

Heat Pump Unit	448.56 kWh
Refrigerator	3.7 kWh
Lights	177.84 kWh

Water Heating (electric)	540 kWh
Dishwasher	17.1 kWh
TV & Other Appliances	508.1 kWh
Estimated monthly average electric use:	**1695.3 kWh**
Estimated monthly average electric cost @ 0.1273 $/kWh and basic service charge of $20:	**$215.81**

II. 3-Bedroom Duplex Unit (approx. 2,237 ft²)

Heat Pump Unit	606.6 kWh
Refrigerator	3.7 kWh
Lights	177.84 kWh
Water Heating (electric)	540 kWh
Dishwasher	17.1 kWh
TV & Other Appliances	718.9 kWh
Estimated monthly average electric use:	**2064.2 kWh**
Estimated monthly average electric cost @ 0.1273 $/kWh and basic service charge of $20:	**$262.78**

III. 2-Bedroom Unit (approx. 1,097 ft²)

Heat Pump Unit	309.6 kWh
Refrigerator	3.7 kWh
Lights	93.45 kWh
Water Heating (electric)	300 kWh
Dishwasher	17.1 kWh
TV & Other Appliances	572.55 kWh
Estimated monthly average electric use:	**1296.4 kWh**
Estimated monthly average electric cost @ 0.1273 $/kWh and basic service charge of $20:	**$165.4**

IV. Building/Common Areas

Heat Pump Unit	184 kWh
Lights (mech. rooms, lobby, vestibules, stairs)	1.02 kWh
Booster Pumps	137.19 kWh

Misc. Exhaust Fans (kitchens, bathrooms, trash room)	338.4 kWh
Electric unit heater	450 kWh
Electric duct heater	102 kWh
Estimated monthly average electric use:	**1815 kWh**
Estimated monthly average electric cost @ 0.1273 $/kWh and basic service charge of $20:	**$231.11**

All estimates listed above are based on local weather and currently effective energy rates, which include adjustments for surcharges and taxes. They are only estimates of the actual energy use.

If you require any additional information, please do not hesitate to contact me.

Sincerely,



Matthew Ferguson, P.E.
Licensed Professional Engineer, principal.
EARTH FIRST CONSULTING
5 Tudor City Place 1925
New York, NY 10017

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

Brooklive Management
3008 Avenue J
Suite 103
Brooklyn NY 11210
718-450-9550

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNERS

Decmeber 5th, 2023

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, Floor 15
New York, New York 10005

Re: The 68 Commercial Street Condominium
68 Commercial Street, Brooklyn, New York

The Sponsor of the Condominium Offering Plan for the above captioned Property retained our firm to review Schedules B and B-1 (the "Schedules") containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes the management of condominiums and rental properties, including buildings with commercial space, and commercial real estate for more than five (5) years. The principals of our firm have managed more than 500 units in ten (10) buildings.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projection in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the first year of condominium operation.

We certify that the Schedules:

(i) Set forth in detail the projection of income and expense for the first year of condominium operation;
(ii) Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
(iii) Do not omit any material fact;
(iv) Do not contain any untrue statement of a material fact;
(v) Do not contain any fraud, deception, concealment, or suppression;
(vi) Do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
(vii) Do not contain any representation or statement which is false, where we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no

reasonable effort to ascertain the truth; or (d) did not have the knowledge concerning the representations made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of the Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to civil and criminal penalties of the General Business Law and Penal Law.

Brooklive Management

By:_____
Max Kozlowitz

Sworn to before me this
16 day of December, 2023

_____
Notary Public



CHANGES IN PRICES AND UNITS

The prices set forth in Schedule A herein may only be changed by a duly filed amendment to the Plan when a change in prices is an across the board increase or decrease affecting one or more lines of Unit or Unit models, is to be advertised or is a price increase for an individual Purchaser. However, prices are negotiable and Sponsor may enter into an agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

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

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset, or reduction in the Purchase Price of the Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue or a non-material inaccuracy or error in the Floor Plans.

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

No material change will be made in the size, and no material adverse change will be made in the quality of Common Elements unless all Purchasers consent. There is a rebuttable presumption that a unit size that is decreased by 5% or less is not material.

Sponsor reserves the right, in its sole and absolute discretion to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner, provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute a Purchase Agreement. A Sample Purchase Agreement is contained in Part II of this Plan.

Purchasers shall be afforded not less than three (3) business days to review the Plan prior to executing a Purchase Agreement for a Residential Unit. A Purchaser may receive a copy of the Plan upon payment of a security deposit in the amount of $300.00, which will be refunded upon return of the Plan in good condition or the execution by the Purchaser of a Purchase Agreement for a Residential Unit in the 68 Commercial Street Condominium. If a Purchaser has not received the Plan at least three (3) days prior to executing the Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within seven (7) days from the date the Purchaser delivers an executed Purchase Agreement together with the Initial Deposit to Sponsor/Selling Agent.

Purchase Agreements will not be binding upon the Sponsor until approved and accepted by the Sponsor. The Purchaser is required to make an initial down payment in the amount equal to 10% of the total Purchase Price at the time they execute the Purchase Agreement, by check drawn to the order of “Getler, Gomes & Sutton, P.C., Attorney Escrow Account." A second deposit of 5% will be required to be made either thirty (30) days after the Plan is declared effective or ninety (90) days after the Purchase Agreement is fully executed, whichever comes first. The FDIC has granted deposit insurance coverage up to $250,000.00 per deposit to accounts. The Escrow Account shall be held at Orange Bank and Trust. Each Deposit shall be held in a separate interest bearing account using the Purchaser’s tax identification number. All interest which accrues in the account shall be paid to the Purchaser at closing.

Each purchaser will be free to obtain their own mortgage financing, but Purchaser’s obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on obtaining financing for such purchase.

In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) all Deposits and any interest earned thereon and (b) Special Work Funds. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have thirty (30) days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from

Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). See the Section of the Plan entitled "Procedure to Purchase" for details.

If a Purchaser fails for any reason to close title to the Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. See the Section of the Plan entitled "Procedure to Purchase" for details.

The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Building and all Common Elements. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Building or the Common Elements, except as may otherwise be set forth in the Plan. See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.

The Sponsor shall not be bound to make any modifications or changes, perform any special work, provide any different or additional appliances, equipment, furnishings or decoration, unless agreed to by the Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement.

In the event of any inconsistency or conflict between the provisions in the Purchase Agreement and those of the Plan, the provisions of the Offering Plan shall govern and be binding.

THE PURCHASE AGREEMENT SET FORTH IN PART II OF THE PLAN SETS FORTH IN DETAIL THE TERMS OF SALE WITH RESPECT TO EACH UNIT AND SHOULD BE REVIEWED CAREFULLY BY EACH PERSPECTIVE PURCHASER AND HIS COUNSEL. ANY CONFLICT BETWEEN THE PLAN AND THE PURCHASE AGREEMENT WILL BE RESOLVED ACCORDING TO THE TERMS OF THE PLAN.

FINANCING FOR QUALIFIED PURCHASERS

The Sponsor will not be providing financing for the Units. If a Purchaser desires to finance the purchaser of his or her Unit, the Purchase Agreement is not conditional upon the issuance of a commitment by an Institutional Lender for a Mortgage Loan.

If a Purchase is relying upon financing, Purchaser will assume the risks of meeting all conditions and requirements of the lender to obtain and fund the loan on the date set by Sponsor for closing of title under the Purchase Agreement, including conditions and requirements that may be beyond Purchaser's control, such as: meeting all requirements concerning Purchase; meeting requirement for a certain percentage of Units to be "owner-occupied" and losing a "lock in" interest rate because closing title fails to occur before the expiration of the period within which the loan must close to obtain the locked in rate. A prospective Purchaser who is relying on financing is advised to inquire with a proposed lender or mortgage broker as to whether the Purchaser will qualify before entering the Purchase Agreement.

The Property is currently encumbered by mortgages held by the Construction Lender. The Sponsor reserves the right to have additional building loan mortgages placed upon the Condominium Property, but the Sponsor is obliged to satisfy any Unit mortgages or to release its lien before closing title to such Unit, together with its interest in the Common Elements.

THE SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF THEIR APPLICATIONFOR FINANCING IS NOT ACCEPTED. THE SPONSOR MAKES NO REPRESENTATION AS TO THE AVAILABILITY OR TERMS OF FINACNING.

ESCROW AND TRUST FUND REQUIREMENTS

a. Escrow Trust Fund

Sponsor will comply with the escrow and trust fund requirement of General Business Law Sections 352-e (2-b) and 352-h and the Attorney Generals' regulations promulgated pursuant thereto. These provisions cannot be waived or modified. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance and defense of obligations arising from the handling or disposition of trust funds.

All deposits, down payments, or advances made by Purchasers prior closing of each individual transaction, whether received before or after the date of consummation of the Plan, must be placed within five (5) business days after the agreement is signed by all necessary parties, in a segregated special escrow account of Getler, Gomes & Sutton, P.C., the Escrow Agent, with offices at 2 Executive Boulevard, Suite 410, Suffern, New York 10901. The funds will be deposited in the escrow account, located at Orange Bank and Trust, which has offices in New City, New York. The signatory on this account authorized to release funds is Janine A. Getler, Esq. and Richard W. Sutton, Esq. The name of the account Getler, Gomes & Sutton, P.C., Attorney Escrow Account.

(i) A copy of the escrow agreement which incorporates the terms of the Attorney General's regulations may be found in Part II of the Offering Plan.

(ii) The escrow agent will maintain all records concerning the escrow account for seven years after the release of funds.

(iii) Any provision of any contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of this section of the regulations shall prevail over any conflicting or inconsistent provision in the Offering Plan or in the Purchase Agreement.

(iv) Sponsor may apply to the Attorney General to use security in the form of a surety bond or a letter of credit in lieu of escrow of such funds upon showing of adequate insurance of such funds to the satisfaction of the Attorney General.

(v) Sponsor must submit an affidavit which contains full information as to the proposed usage of such funds, the Sponsor's financing of construction work, expected completion date, the terms and conditions of the proposed surety bond or letter of credit, and required under New York and covenants.

b. The Escrow Agent

The law firm of Getler, Gomes & Sutton, P.C., the Escrow with an address at 2 Executive Boulevard, Suite 410, Suffern, New York 10901, telephone number (845) 533- 4475, shall serve as the escrow agent ("Escrow Agent") for the Sponsor and the Purchasers. The Escrow Agent has designated the following attorneys to serve as signatories: Janine A. Getler and Richard W. Sutton. All designated signatories are admitted to practice law in the State of New York. Neither the

Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

c. The Escrow Account

The Escrow Agent has established the escrow account Orange Bank and Trust, with offices in New City, New York, ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Getler, Gomes & Sutton, P.C. Attorney 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 for the amount over $250,000 on deposit.

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 Getler, Gomes & Sutton, P.C., as Escrow Agent.

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement/Escrow Agreement.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. 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.

d. The Purchase Agreement

The Purchase Agreement is attached hereto as Exhibit A in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 16 of the Purchase Agreement, which must be executed by the Escrow Agent.

e. Notification to the 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. Within ten (10) business days of placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement/Escrow Agreement.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 15th Floor, New York, 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.

f. Release of Funds

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

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

(iii) 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 (i) through (iii) 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 (i) through above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the [Unit/building] is located and shall give written notice to both parties of such deposit.

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

(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.

g. Waiver Void

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

If Purchaser fails after default, after written notice to perform any of Purchaser's obligations there under, Sponsor may give 30-day written notice by certified mail, return receipt requested, to Purchaser of Sponsor's intention to cancel the Purchase Agreement. If Sponsor so elects to cancel the Purchase Agreement, all amounts paid pursuant to the contract, together with any interest thereon, shall all belong to Sponsor and the rights, obligations and liabilities of both parties under the agreement and the Plan shall cease and terminate, provided that liquidated damages shall in no event exceed 10% of the offering price plus the actual cost of work specially performed by Sponsor for the Purchaser. THE TIME FOR PERFORMANCE OF THE PURCHASER'S OBLIGATIONS, INCLUDINC ATTENDANCE AT CLOSING AND DELIVERY OF THE BALANCE OF THE PURCHASE PRICE, IS OF THE ESSENCE IN THE PURCHASE AGREEMENT. This means that all deadlines and time periods must be strictly adhered to by the Purchaser.

Sponsor expects the First Closing of a Unit to occur on approximately December, 2024. If such date is delayed twelve (12) months or more, Purchasers will be offered a right of rescission. The down payment will be returned within three (3) days after receipt of notice by the Purchaser of his/her intention to rescind their contract. The Purchaser is required to sign a power of attorney to the Board of Managers of the condominium, which power of attorney must be signed acknowledged and returned to the Sponsor within fifteen (15) days. Failure to so return the power of attorney may result in a default under the Purchase Agreement. Unless your Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that the Closing of title to your Unit will occur by any certain date.

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

Sponsor will not permit the assignment or transfer of Purchase Agreements, without Sponsor's written consent in each instance, in Sponsor's sole discretion. See, Section X, Assignment of Purchase Agreements.

Purchaser will be afforded at least three (3) business days to review the Plan and all filed Amendments thereto prior to executing a Purchase Agreement.

Sponsor will, within thirty (30) days after receipt of a fully executed copy of the Purchase Agreement and the required deposit, either accept such Purchase Agreement and return a fully executed counterpart to the Purchaser, or reject the Purchase Agreement and refund the full deposit previously tendered. If the Sponsor fails to act within such twenty (20) day period, the Purchaser will have the option, by written notice within ten (10) days thereafter, to withdraw his offer and receive a refund of the full deposit tendered.

All risks of loss to the Unit by fire or other casualty prior to the conveyance of legal title to the Unit to the Purchaser are assumed by the Sponsor, without any liability or obligation by the Sponsor to repair or restore the Unit, unless and until a Purchaser takes actual possession of a Unit pursuant to a written agreement with the Sponsor in which case Purchaser assumes the risk of loss for any loss not covered by the Condominium's insurance. In such event, such Purchaser is advised to obtain insurance covering any such casualty that may occur to the interior of their Unit. Sponsor does not at this time intend to enter into an interim lease with any purchaser. In the event Sponsor elects to enter into an interim lease the Plan will first be amended to state same. There are no interim leases for contract vendees.

Although the Purchase Agreement will provide that the sale is not subject to a mortgage contingency, the Sponsor, in its sole discretion may agree to afford a Purchaser the right to apply for a purchase money mortgage and make the Purchase Agreement contingent upon same. If the Sponsor and the Purchaser so agree to permit the contingency, the Purchase Agreement will be made contingent upon the obtaining of a mortgage or other financing by such Purchaser, in the amount not greater than 80% of the total purchase price. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor Selling Agent makes any representations or warranties as to the availability of mortgage financing. Prospective Purchasers are therefore advised to consider carefully their financing arrangements before signing a Purchase Agreement. It should also be noted that it may be difficult to obtain a financing commitment until a certain percentage of the apartments in the Building have been sold. Prospective Purchasers should also be aware that even if a loan commitment is obtained, its term may be limited, and it could expire before the Closing Date. Unless otherwise agreed by and between the parties, Purchaser shall have thirty (30) days from the date Purchaser receives a fully executed Purchase Agreement to procure a mortgage commitment. In the event the Purchaser is denied, said Purchaser may terminate this agreement upon three (3) day written notice, at which time, Sponsor will return the down payment hereunder to the Purchaser within three (3) days thereafter, otherwise the contract will be deemed firm on the thirty-first (31st) day. If a Purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to such purchaser a right of recession.

The Purchase Agreement shall not be amended to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or under Article 23-A of the General Business Law.

Sponsor agrees to comply with, and the Purchase Agreement will be in compliance with section 71-a (3) of the Lien Law.

After the Plan has been declared effective, the Declaration recorded and the Department of Buildings has indicated that issuance of the Temporary or Final Certificate of Occupancy is imminent, the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on all Purchasers stating the date of the First Closing and setting each Closing Date. Such notice will be served in compliance with applicable regulations (13NYCRR Section 20.3 (1)) no less than thirty (30) days before the date set for the closing of the Units. Any conflict between the Plan and the Purchase Agreement will be resolved according to the terms of the Plan.

h. Leases

No interim leases will be offered to Purchasers. The Sponsor reserves the unconditional right to rent or lease the Residential Units to non-Purchasers after the consummation of the Plan. No occupancy may commence until a Temporary Certificate of Occupancy has been issued covering such Residential Unit. Once a vacant Residential Unit has been sold, it may not be leased by the Sponsor.

i. Assignment of Purchase Agreements – No Third Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, in its sole discretion. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement of give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay Getler, Gomes, & Sutton, P.C. a fee of $4000.00, in advance, for preparation of an assignment and assumption agreement. Any purported assigned in violation of this Section shall be a default by the Purchaser, entitling Sponsor to the default remedies. The Sponsor may not withhold permission for the assignment of Purchase Agreement based upon race, creed, color, natural origin, age, disability, or marital status.

EFFECTIVE DATE

The offer to sell is contingent upon this Plan being declared effective and upon compliance with the relevant conditions and time periods described in this Plan. This Plan must be declared effective upon the date upon which there are valid and binding Purchase Agreements signed by bona fide Purchasers, including investors for 15% (1 Units) of the Units offered under the Plan.

For the purpose of this Plan, a Purchase Agreement shall be valid and binding if executed by both Purchaser and Sponsor. This Plan shall be declared effective by written notice to the Purchasers, served in accordance with the regulations, to be followed by duly filed amendment disclosing such fact, which amendment will be submitted to the Department of Law within five (5) days thereafter, confirming that the Plan was declared effective on a specified date. The closing of title to the first unit shall not occur until the Plan is declared affective and such amendment is accepted for filing by the Department of Law. Notwithstanding the fact that not all Purchasers used for the purposes of declaring the Plan effective may actually close, Sponsor will re-declare the Plan effective if all Purchase Agreements are either rescinded or terminated prior to the date of the first Unit closing, regardless of whether the condominium declaration has been recorded.

This Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) if the Purchaser was not afforded the three (3) business days to review the Plan and all filed amendments prior to execution a Purchase Agreement; 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 the Purchaser is bona fide.

This Plan may be abandoned by the Sponsor at any time prior to being declared effective. If this Plan is abandoned, all Purchasers will be promptly notified and all monies paid under the respective Purchase Agreements will be returned to them within five (5) days after abandonment with interest, if any. In addition, Sponsor will promptly submit an amendment to the Department of Law confirming such abandonment and will file a notice of abandonment on form RS-3 or such other form as the Department may require and explain the reason for such abandonment and the disposition of all funds received.

Once the Plan has been declared effective, it may not thereafter be withdrawn or abandoned, except that prior to conveying title to the first Unit, the Plan may, at the option of the Sponsor, be withdrawn in the event of (i) the existence of one or more defects in title affecting any one or more Units that cured without litigation or cannot be cured for less than 2% of the total offering amount; or (ii) substantial damage to or destruction of the Building or any portion thereof

by fire or other casualty which cannot be cured for less than 2% of total offering amount); or (iii) the taking of any material portion of the Property in condemnation proceedings or by eminent domain. In addition, in the event that the Plan is so withdrawn, the Purchasers shall receive return of all deposits paid within five (5) days of the withdrawal.

The foregoing dollar amounts shall exclude attorney's fees, or any such title defects or determination 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.

TERMS OF SALE

Title to each Unit and its interest in the Common Elements will be conveyed by the Sponsor at the closing thereof by bargain and sale deed with covenants against grantor's acts, free and clear of all liens, encumbrances and title exceptions other than the exceptions set forth in the Plan and in Schedule A to the Purchase Agreement. There are no liens, encumbrances or title exceptions that will affect the Property after closing of title except as to those exceptions that are customary. The Deed will be substantially in the form set forth in Exhibit C to Part II of the Plan.

All risks of loss to the Unit by fire or other casualty prior to the conveyance of legal title to the Unit to the Purchaser is assumed by the Sponsor, without any liability or obligation by the Sponsor to repair or restore the Unit, until the closing of title. A closing will only take place if concurrently with such closing the issuance of a Temporary or Final Certificate of Occupancy for the Building is obtained or the issuance of a Temporary or Final Certificate of Occupancy for the Unit closed is obtained.

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit. The deeds will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

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

All Transfer Taxes shall be paid at closing by the Purchaser of the Unit. Sponsor is transferring its statutory obligation to pay transfer taxes to Purchaser.

The real estate transfer tax imposed pursuant to section 1402 of Article 31 of the New York State Tax Law shall be paid by the Sponsor and such tax shall not be payable, directly or indirectly, by the Purchaser except as provided in a contract between Sponsor and Purchaser. If the Sponsor has failed to pay the tax imposed by this article at the time required by section 1410 of Article 31 of the New York State Tax Law or if the Sponsor is exempt from such tax, the Purchaser shall have the duty to pay the tax. Where the Purchaser has the duty to pay the tax because the Sponsor has failed to pay, such tax shall be the joint and several liability of the Sponsor and the Purchaser; provided that in the event of such failure, the Purchaser shall have a cause of action against the Sponsor for recovery of payment of such tax, interest and penalties by the Purchaser. In the case of a conveyance of residential real property as defined in subdivision (a) of section 1402(a) of Article 31 of the New York State Tax Law, if the tax imposed by this article is to be paid by the Purchaser pursuant to a contract between the Sponsor and the Purchaser, the amount of such tax shall be excluded from the calculation of consideration subject to tax under this article. Where the consideration includes property other than money, it shall be presumed that the consideration is the fair market value of the real property or interest therein. Pursuant to the New York State Tax Law Section 1404(a).

If existing mortgages or construction loans are not satisfied at or prior to the closing of the first Unit, at the time of conveyance of the first Unit, each mortgagee will either: (a) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium Units; (b) subordinate the lien of its mortgage to the Declaration of condominium; or (c) release its lien on the condominium Unit being conveyed and its interest in the Common Elements.

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of the Unit and to be paid at closing will be: (a) fees and expenses of Purchaser's attorney, if any; (b) mortgage recording taxes (approximately 1.8% to 2.8% of purchaser's mortgage, if any); (c) premiums for mortgage and/or owner's title insurance (amount dependent on purchase price and mortgage size); (d) all charges of Purchaser's Lender, if any, including, without limitation, origination and appraisal fees, charges for a credit report and attorney fees (which attorney fees generally do not exceed $1,500.00) for the Lender; (e) Fees for recording the Deed, Mortgage (if any), Unit Power of Attorney, or other documents (approximately $600); (f) Real Estate Taxes and Assessments, if any, including water charges and sewer rents if separately assessed, apportioned as of date of closing; (g) Common Charges for the month in which title closes (there will be no adjustment for such "Working Capital Fund" and "Reserve Fund" below); (i) usual and ordinary adjustments for charges if the Unit is conveyed on the date of recording of the Declaration); (h) Two months common charge, one towards the working capital and one towards the Reserve Fund (See utilities and fuel, if any; and (j) New York State and New York City Real Property Transfer is approximately $2.00 per $500 of the purchase price. The New York City Real Property Transfer Tax is 1% of the total purchase price if under $500,000 or 1.425% of the total purchase price if over $500,000,which transfer taxes are statutorily the primary obligation of a Seller; (k) $4,000.00 to the Sponsor's attorney for legal fees; additional $250 for preparing the ACRIS forms. If the Purchaser obtains a mortgage loan, the Purchaser will pay a mortgage tax of 1.75% of the principal of the mortgage. If a mortgage tax credit is or becomes available pursuant to Section 339-ee (2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed; and will pay the balance of the mortgage recording tax as provided by law. Sponsor will sign and its Attorneys will provide an Affidavit which provides the sum of the Mortgage Tax Credit which will be paid to the Sponsor. This information is provided as good faith estimates based on information currently available to the Sponsor. At the closing, Purchasers will normally be required to advance to the Purchaser's Lender, if any, escrow for the reserves for taxes, assessments, and insurance premiums.

If Purchaser obtains Title Insurance Purchaser will pay the premium therefore, which premium will vary and depend on the total purchase price. The premiums are premised upon the New York State Insurance Tables, which are approximately as follows:

Amount of Insurance	Premium
First $35,000	$342.00
From $35,000 to $50,000	$5.67 per $1,000
From $50,000 to $100,000	$4.62 per $1,000
From $100,000 to $500,000	$3.71 per $1,000
From $500,000 to $1,000,000	$3.38 per 1,000

The Mortgage insurance is approximately 30% of the fee premium.

The New York State Real Property Transfer Tax is approximately $2 per $500 of the purchase price. The New York City Real Property Transfer Tax is 1% of the total purchase price if under $500,000 or 1.425% of the total purchase price if over $500,000. In as much as Purchaser will be paying the Real Estate Transfer Taxes the purchase price for the purpose of these transfer taxes exclude the addition of these taxes from the purchase sum thereby.

The real estate transfer tax imposed pursuant to section 1402 of Article 31 of the New York State Tax Law shall be paid by the Sponsor and such tax shall not be payable, directly or indirectly, by the Purchaser except as provided in a contract between Sponsor and Purchaser. If the Sponsor has failed to pay the tax imposed by this article at the time required by section 1410 of Article 31 of the New York State Tax Law or if the Sponsor is exempt from such tax, the Purchaser shall have the duty to pay the tax. Where the Purchaser has the duty to pay the tax because the Sponsor has failed to pay, such tax shall be the joint and several liability of the Sponsor and the Purchaser; provided that in the event of such failure, the Purchaser shall have a cause of action against the Sponsor for recovery of payment of such tax, interest and penalties by the Purchaser. In the case of a conveyance of residential real property as defined in subdivision (a) of section 1402(a) of Article 31 of the New York State Tax Law, if the tax imposed by this article is to be paid by the Purchaser pursuant to a contract between the Sponsor and the Purchaser, the amount of such tax shall be excluded from the calculation of consideration subject to tax under this article. Where the consideration includes property other than money, it shall be presumed that the consideration is the fair market value of the real property or interest therein. Pursuant to the New York State Tax Law Section 1404(a).

An example of the foregoing estimates, in the case of Unit 1 having a purchase price of $3,676,745.00 and with respect to which the Purchaser has obtained a typical institutional mortgage in the principal sum of $3,500,000.00 are set forth by way of illustration only. All tax rates, title insurance premiums and recording rates are estimates only and subject to change:

Purchaser's Attorney Fee	$4,000.00
Mortgage Recording Tax	$53,870.00
Title Insurance:	
Fee Policy	$12,981.00
Mortgage Policy	$2,639.00
Searches	$505.00
Recording Fees	$375.00
Working Capital and Reserve	$1,874.41
New York State Property Transfer Tax	$17,500.00
Mansion Tax	$35,000.00
New York City Property Transfer Tax	$49,875.00
TOTAL:	**$**178,619.41

From and after the closing of title to each Unit, the Purchaser will be obligated for the payment of Common Charges, real estate taxes and assessments, and all other expenses, such as closing fees, financing fees and legal fees, with respect to his Unit whether or not he

has taken possession of the Unit, and whether or not all work required to be performed by the Sponsor or anyone else in or to his Unit or to the Building has been completed.

If Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes attributable to the unsold Units for the six month period following the First Closing and may collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The amount deposited by the Sponsor will be set forth in the post-closing amendment. The Board of Managers will pay the Real Estate Taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

All adjustments for taxes and other adjustable items shall be apportioned as of midnight of the day prior to the date of closing.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

Subject to the terms and conditions of this Plan, the Sponsor has the following obligations for the performance for which no bond or other security will be furnished:

The Sponsor will, at its sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building, substantially in accordance with the Plans and Specifications. The Sponsor reserves the right to substitute equipment or materials and make modifications of layout or design, provided, however, that Sponsor shall not (1) substitute equipment or materials of lesser quality or design; or (2) change the size or location of Building, Units, other improvements, or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind and receive any deposit or down payment.

If a Final Certificate of Occupancy and/or any other certificate or authorization required to permit the occupancy of a Unit shall not have been issued at the date of closing of title to such Unit, the Sponsor will obtain prior to the closing of the first Unit a temporary Certificate of Occupancy for the Unit or the Building in which the Unit to be closed is located, and will secure a Final Certificate of Occupancy for the Building as expeditiously as possible after the closing of title, (within an estimated two (2) years but before expiration of any temporary Certificate of Occupancy), and will, at its sole cost and expense, do and perform or cause to be done and performed all work and will supply or cause to be supplied all materials necessary.

If a Final Certificate of Occupancy is not issued on the day of the First Closing or a Unit, the Sponsor will place an Escrow with Getler, Gomes & Sutton, P.C. for a sum to be determined by the Architect and which fairly estimates the costs that will be incurred to obtain the Final Certificate of Occupancy. The terms and amount of the Escrow will be disclosed in an amendment to the Plan. The Escrow will not be released until the Final Certificate of Occupancy issues.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the Property 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 DOB. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Units. In New York City, it is common for Sponsors to commence unit closings when some or all Units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending

each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two-year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire Building, and shall exercise best efforts to obtain the FCO within such two-year period while keeping the TCO current. The escrow held to secure this obligation will not be released until the FCO issues. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Buyers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: https://www1.nyc.gov/assets/buildings/pdf/cofo_guide.pdf.

If the First Closing on a Unit takes place prior to the issuance of a Final Certificate of Occupancy for the Building, Escrow Agent shall maintain the Escrow in a specially segregated escrow account pursuant to Section 352-e (2)(b) of the General Business Law of the State of New York, in the amount designated by the Sponsor's architect as will be reasonably necessary to complete the work needed to obtain a Final Certificate of Occupancy. The amount retained in the special escrow account pending delivery of a Final Certificate of Occupancy and the architect's certification certifying such amounts required will be included in each post-closing amendment until the FCO is obtained.

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

The Sponsor will deliver to the Board of Managers on behalf of Unit Owners an assignment of all assignable warranties and other under New York received by the Sponsor from contractors, materialman or others in connection with the construction and equipping of the Building except that warranties and under New York which relate to equipment in individual Units will be delivered or assigned to each applicable Purchaser at or prior to the closing. All such warranties and under New York will be delivered or assigned by the Sponsor promptly upon receipt by the Sponsor, if received after closing.

The Sponsor will pay or cause to be paid all contractors and materialmen and all others involved in the construction and equipping of the Building, for work performed and fixtures, material and equipment supplied or installed in the construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping to be discharged by bonding or otherwise promptly after the filing of any such liens.

After the issuance of a FCO covering the Building, the Sponsor will deliver to the Board of Managers a complete set of "as built" drawings for the Condominium and a signed copy of the statement of the Sponsor's architect referred to below.

The Sponsor will bear all costs and expenses incurred in connection with the creation

of the Condominium and the preparation of this Plan and all selling expenses and compensation payable for sales or other personnel of the Sponsor. The Sponsor will be responsible for the commission of the Selling Agent and any broker with whom the Purchaser dealt, unless agreed to otherwise agrees in writing.

Until title to all Units is passed to bona fide Purchasers, the Sponsor will pay such Common Charges and special assessments and real estate taxes as are assessed by the Board of Managers on Units to which title has not passed, whether built or unbuilt, once a Declaration has been recorded and the First Closing has occurred. Sponsor states that it has the financial resources to meet its obligations with respect to any unsold Units. The source of such funding are the assets of the Sponsor. No Bond or other security has been posted to secure Sponsor's obligations.

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain in obligated to update the budget for the Condominium as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing and post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment tot eh Offering Plan as a benefit to subsequent purchasers. The Sponsor may not declare the Plan effective where there are any material changes to the Budget, if these changes have not been disclosed by a duly filed amendment to the Plan.

Sponsor will initially procure, as reflected in the budget for the first year of Condominium operation, the following coverage: (a) Building insurance with all risk extended coverage (a $3,030,000 value for the Building; (b) comprehensive general liability ($2,000,000.00/$1,000,000.00 single limit of liability). The costs of such policies are to be reimbursed by the Board of Managers.

Sponsor will keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Getler, Gomes, & Sutton, P.C., 2 Executive Blvd, Suite 410, Suffern, NY 10901 or at another designated place for six (6) years from the date the Declaration is recorded.

The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing

construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that requests for entry, except in emergencies, shall be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent (if any) a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages to any Unit or to the Common Elements resulting from the exercise of such right of access. All repairs and replacements performed by the Sponsor as a result of any such damages will be substantially similar to the original construction and installation and will be of first-class quality.

Obligations of the Sponsor hereunder with respect to the Units or Limited Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners affected, and with respect to the General Common Elements, only by the Board of Managers on behalf of all Unit Owners. In no event shall any obligations of the Sponsor be enforceable by individual Unit Owners. There is no mechanism in place to enforce sponsor obligations with respect to units and Limited Common Elements while Sponsor controls the Board.

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required.

In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify that the Floor Plans filed with the recording of the Declaration are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of the building.

Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights, which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the condominium Board nor any Unit Owner (other than Sponsor) shall have any right or interest in Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Units and/or Terraces may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk, or density of any portion of the Property after the recording of the Declaration.

Sponsors for their agents will not discriminate against any person because of race, creed, color, sex, disability, marital status or national origin.

The Sponsor has no obligation to repair damage from casualty or other cause, which occurs prior to the closing of a Purchaser's Unit.

Sponsor has secured construction financing for this project and has sufficient funds to fulfill its obligations under the terms of the Plan.

Sponsor shall be obligated to defend any suit or proceeding arising out of Sponsor's acts or omissions and to indemnify the Board of Managers and Unit Owners by reason of same.

All alterations and improvements to the common area may not be completed prior to the First Closing, but will be completed within 6 months after the First Closing.

All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to closing will survive delivery of Deed.

Unsold Units- Right of Sponsor to Lease; Rights of Tenants and Subsequent Purchasers.

(i) The Sponsor has reserved the unlimited right to sell, assign, mortgage, lease or sublet any Unsold Unit for any legal use after the First Closing (subject to any use restrictions set forth in the By-Laws of the Condominium), and to mortgage, pledge or hypothecate said Unsold Units, at any time after the recording of the Condominium Declaration without first offering such Units for sale or lease to the Condominium, and to post signs on the Property for this purpose. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner. However, Sponsor reserves the unilateral right to rent after consummation of the Plan rather than sell Units. A reason in which Sponsor may rent is when there is a significant decline in market prices. This means that this Plan may not become effective. As per the construction financing, the Plan may not be declared effective until more than 15% of Units are in contract. Further, the Sponsor shall in good faith continuously, diligently and actively market the Units for sale in compliance with the Offering Plan, marketing plan, budget, Condominium Documents and Legal Requirements.

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

(iii) Sponsor’s obligations are disclosed throughout the Plan and are not limited to the obligations disclosed in this section. All representations under the Plan, all obligations pursuant to the General Business Law, and any additional obligations under the Plan which are to be performed subsequent to the closing date shall survive delivery of the deed.

(iv) For all purposes under this Plan, the issuance of (a) a FCO, for the entire Building by the DOB, and (b) a statement by the Sponsor's Architect to the Sponsor that the Building has been completed substantially in accordance with the Plans and

Specifications except for:

1. such work in the public portions of the Building and within Units as is customarily or necessarily left incomplete until after occupancy (which work will be completed with reasonable expedition) and;

2. special work in any Units to be done by or for the account of Purchasers or tenants thereof, shall be deemed and considered presumptive evidence that the Building has been fully completed in accordance with the Plans and Specifications. Such presumption, however, shall be without prejudice to any rights, which the Board of Managers may have with respect to the Sponsor's obligation to cause defects in construction or materials to be corrected, as set forth in paragraph (4) above. Such statement by the Sponsor's Architect shall neither constitute a representation by him to the Unit Owners or to the Board of Managers nor give rise to any claim by any Unit Owner or by the Board of Managers against the Sponsor's Architect with respect to completion of construction or defects therein.

Warranties

Prospective Purchasers should note that the provisions of Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") are applicable to the Units purchased in this Condominium because the provision affects the sale of new dwelling units that are single family homes or units in cooperatives or condominiums of five stories or less. Sponsor makes no other warranties, express or implied, in connection with this offering or the Units and all such warranties are excluded, except as set forth in this Section.

The Sponsor will deliver to the Purchaser and/or Board of Managers, if applicable, on behalf of the Unit Owners, upon the sale of each Unit in the Condominium any manufacturer's or subcontractor's warranties (or assignments thereof) in Sponsor's possession covering the kitchen appliances (if any), heating, electrical, plumbing, roofing system and other equipment or systems as well as any subcontractors' warranties which may have been received by Sponsor relating to a Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties or bonds are assignable, together with a Bureau of Fire Underwriters Certificate, if then available. Any warranties relating to the unit, rather than the Common Elements, which are not available at the closing of title will be delivered to the Purchaser within ninety (90) days thereafter.

With respect to the Common Elements, other than the Common Elements forming the Building, the Sponsor will give written notice to the Board of Managers when such Common Elements, or portions thereof, have been substantially completed. Such notice will not be binding upon either party with respect to the determination as to whether such portion(s) of the Common Elements have been substantially completed. The Sponsor makes no warranties as to the installation or operation of any appliances, equipment or fixtures, except that it will deliver to each Purchaser the manufacturer's warranties thereon.

The Sponsor will not be responsible for correcting any defects in the construction or in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings from contractors, or material persons, or otherwise, are assigned to either the Board or unit Owners. The Sponsor shall not be liable to the Board of Managers or to the Purchaser with respect to any of its obligations in excess of the liability it would have had if the only assets of the Sponsor were the Property.

Except as provided herein and in the Plan, the Seller shall not be liable to the Board of Managers or to the Purchaser for any manner as to which an assignable warranty, guaranty or bond has been assigned to such Board or to the Purchaser.

The Sponsor will make periodic visits to the Property and will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaces, but only if:

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

(ii) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested. There is currently not in place any mechanism to enforce sponsor obligations with respect to units and limited common elements while the Sponsor controls the Board.

1. With respect to any latent defect(that is, a defect that is not visually ascertainable) in the construction of a Unit, within six (6) months of the earlier to occur of (i) the closing of title to the Unit or (ii) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

2. With respect to any patent defect in the construction of a Unit within three (3) months of the earlier to occur of (i) the closing of title to the Unit or (ii) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

3. With respect to any defects (patent or latent) in the construction of the Common Elements, within twelve (12) months from the date of substantial completion of the portion of Common Elements claimed to be defective. The issuance of a certification from a registered architect or licenses engineer shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

(iii) The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be

comparable to local standards customary in the particular trade or trades involved will be in accordance with the Plans and Specifications.

(iv) Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to any defects, whether patent or latent, if:

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

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

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

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

(vi) Subsequent to the conveyance of title to a Unit or the completion of the Common Elements, as the case may be, the Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures:

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

2. Resulting from normal wear and tear, natural deterioration, normal settling, deflection, or shifting of the Building; or

3. That are not of a material nature, including, without limitation, the following:

    a. Death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair or reduce the structural soundness of the Building, including cracks or discoloration in concrete used in walls and paving;

b. Leaching or color variation in colored mortar, tiles, and bricks, dimensional variations in brick joints, mortar droppings on bricks;

c. Ponding, and/or controlled drainage on roof and terrace surfaces;

d. Terrace tiles not laid flat, stained tiles, and cracks in pressure treated wood used, or intended for use, outside the Building;

e. Protruding dry wall fastenings, nail pops, ridging on gypsum board, and slight variations in gypsum board taping visible only under certain lighting conditions;

f. Walls not square, lumber shrinkage, painting defects, and electrical plates not straight;

g. Slight separation between base and floor;

h. Variations in floor and ceiling levels'

i. Carpet or floor discoloring or stretching;
j. Variations in width, length, thickness, finish, or color range of wood floors;

k. Deviations in the level of ceilings, and imperfections in ceiling finishes;

l. Imperfections in painting finishes;

m. Stains, runs, lumps, shags or imperfections in weave in fabric panels;

n. Expansion, contraction, or slight discoloration or unevenness of color of wood flooring and minor scratches or dents in the wood flooring;

o. Deviations in the level of a floor, or buckling, sinking, gapping, or spacing due to expansion or shrinkage;

p. Alignment of bathroom finishes and variation in grouting thickness;

q. Air infiltration and water infiltration from windows in accordance with the Architectural Aluminum Manufacturers Condominium Standard A-Z, if applicable;

r. Bath tile grouting and any slight separation in joints of

kitchen title;

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

t. Variances in tone or color of natural stone or variances in tone or color of vanity tops or other natural stone surfaces, slight scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

u. Variations in wood floor stains and finishes caused by normal foot traffic during construction and sales periods;

v. Noise and vibration from normal plumbing, heating, air-conditioning, ventilating, and elevator operation, including boiler, water heaters, elevators machine room, and other equipment, and floor noises and creaking;

w. Repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, fan coil units, kitchen cabinets, medicine cabinets and counter tops, ceramic tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware, or any defects of an insubstantial nature;

x. Damage cause by dampness or condensation due to the failure of the Unit Owners to maintain ventilation, which may result in a mold condition;

y. Television, radio, or other telecommunications reception;

z. After the Unit Closing date, paint touch-ups, repair of dented appliances, or replacement of light bulbs;

aa. Normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, apartment doors, and apartment door frames; and

bb. Any other imperfection or defect, except as expressly warranted pursuant to this Plan.

Notwithstanding the foregoing, Sponsor shall have discharged any obligation to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same, provided such condition was not caused by Unit Owners, but Sponsor will not be obligated to replace any such surfaces.

In the event of the dissolution or liquidation of the Sponsor or the transfer of 1 or more units or 20 % or more of the total number of units in the condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all the obligations of the sponsor for those units under the offering plan, applicable laws or regulations.

Sponsor's obligation, regardless of any limitations in the Warranty or then Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and sponsor's obligations to construct the premises in accordance with all applicable codes, filed plans, and specifications shall be resolved in favor of the latter.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF A PURCHASER OR THE CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR THE CONDOMINIUM BOARD WILL HAVE TO PROCEED AT ITS SOLE COST AND EXPENSE AND/OR PURSUANT TO ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

NOTHING CONTAINED IN THE PLAN OR THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR ANY MONEY DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THE PLAN WILL BE TO REPAIR OR REPLACE ANY DEEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITIONS IN THE BUILDING (INCLUDING IN THE UNSOLD UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES, ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND COMPLETION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED. NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED IN THIS PLAN IS INTENDED TO RELIEVE THE SPONSOR OF LIABILITY FOR PROPERTY DAMAGE, PERSONAL INJURY, OR WRONGFUL DEATH ARISING AS A RESULT OF THE GROSS NEGLIGENCE OF THE SPONSOR OR ITS AUTHORIZED AGENTS OR EMPLOYEES IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED IN THE PLAN.

THE SPONSOR SHALL NOT BE RESPONSIBLE FOR ANY WORK OR MATERIALS ORDERED BY PURCHASER DIRECTLY FROM SPONSOR'S CONTRACTORS OR SUPPLIERS.

NOTHING IN THIS SECTION IS MEANT TO ABROGATE OR LIMIT THE PROTECTION PROVIDED UNDER ANY WARRANTY TO BE DELIVERED TO EACH PURCHASER AT THE TIME OF CLOSING. THE SPONSOR WILL NOT ESCROW ANY AMOUNTS IN RESPECT OF INCOMPLETE OR "PUNCH LIST" ITEMS.

PURCHASER ACKNOWLEDGES THAT THE SPONSOR, ITS CONTRACTORS, SUBCONSTRACTORS OR AGENTS AND EMPLOYEES SHALL BE WHOLLY RELIVED OF ANY AND ALL RESPONSIBLITIES AND OBLIGATIONS TO ADJUST, REPAIR, OR OTHERWISE CORRECT ANY "PUNCH LIST" ITEM(S) IN THE EVENT THAT A UNIT OWNER OR PURCHASER (1) PERFORMS WORK IN THE UNIT OF ANY KIND AFFECTING ANY OF THE AREAS OR ITEMS RELATED TO ANY "PUNCH LIST" ITEM (2) REFUSES OR OTHERWISE DOES NOT COOPERATE AND PROVIDE THE SPONSOR, ITS CONTRACTORS, SUBCONTRACTORS OR AGENTS AND EMPLOYEES WITH UNFETTERED ACCESS TO THE UNIT AND ANY COMMON ELEMENT APPURTENANT TO ANY "PUNCH LIST" ITEM.

CONTROL BY SPONSOR

The By-Laws state that during the Initial Sponsor Control Period, being defined as the point of sale of 100% of the Units or 2 years from the date of the first closing, which ever date is earlier, Sponsor shall have voting control of the Board of Managers and the right to vote all of the Common Interests attributable to Units owned by Sponsor. Sponsor shall in no event cast its votes in favor of more than two of the three members to be elected. After the expiration of the initial Sponsor control period, Sponsor will call a Special Meeting of Unit Owners as defined by the By-Laws, to elect new Board members unrelated to the Sponsor within thirty (30) days. If the Sponsor owns one or more Units, it may vote at the Special Meeting and shall retain one seat on the Board of Managers.

The first officers and members of the Condominium Board will be:

- Elazar Orlofsky, *President*
- Abraham Orlofsky, *Treasurer*
- Janine A. Getler, *Secretary*

The members are related to the Sponsor as follows: Elazar Orlofsky is the principal of Sponsor. Abraham Orlofsky is an authorized signatory of Sponsor and Janine A. Getler is General Counsel to the Sponsor.

The number of members of the Board of Managers may not be increased without the consent of the Sponsor for so long as there remain one (1) Unsold Unit.

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will, through its control of the Board have control of the maintenance and operation of, and the services to be provided by, the Condominium. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation or to remedy any work order by an insurer. However, Sponsor may exercise veto power over other expenses for a period of five (5) years from the date of the First Closing. Sponsor's consent shall not be required and it shall have no veto rights with regard to any matter affecting the health and safety of the occupants of the Building.

All members of the Board of Managers shall be either: (a) Unit Owners or mortgagees of Units; (b) partners or employees of a partnership owning a Unit or a mortgage covering a Unit; (c) officers, directors, stockholders or employees of corporate owners or corporate mortgagees of Units; or (d) fiduciaries or their beneficiaries who are owners or mortgagees of Units (or directors, officers, stockholders or employees, of corporate fiduciaries, or partners or employees, of partnership fiduciaries unrelated to Sponsor and its Principals). Members of the Board of Managers must be owners of the Unit, but not necessarily occupants of the Unit. However, members elected by Sponsor or its designee need not be Unit Owners.

All officers and members of the Board of Managers shall serve without compensation. There is presently no mechanism in place to enforce the Sponsor obligations with respect to the Units and Limited Common Elements while Sponsor controls the Board.

The members of the Board of Managers will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual members will be liable for their own bad faith or willful misconduct.

BOARD OF MANAGERS

a. Board of Managers/Control by Sponsor

The affairs of the Condominium shall be governed by the Board of Managers. Subject to the provisions for control by Sponsor set forth herein, from and after the holding of the first Special Meeting of Unit Owners, the Board of Managers shall consist of three (3) persons. Within sixty (60) calendar days after the date on which closing of title to 100% of the Units shall have taken place or within two (2) years after the date of the First Closing, whichever shall first occur, the Sponsor (or Unit Owners) shall call the Special Meeting of the Unit Owners for the sole purpose of electing the three member Board of Managers. (See "Meeting and Votes of Unit Owners" at Article 4.1 of the By-Laws.) If the Sponsor still owns a Unit on the date of the Special Meeting, it shall designate one (1) member of the Board of Managers at the Special Meeting, the Unit Owners shall elect two (2) members. Except for members designated by the Sponsor, all members of the Board of Managers must be Unit Owners. All Board members shall serve without compensation.

Any one or more of the members of the Board of Managers may be removed with or without cause in accordance with the procedure outlined in the By-Laws. Upon the affirmative vote of a majority of all the members of the Board of Managers, any officer may be removed, either with or without cause, and a successor may be elected or appointed, as the case may be, at any regular meeting of the Board of Managers or at any special meeting called for such purpose.

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will, through its control of the Board have control of the maintenance and operation of, and the services to be provided by, the Condominium. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation or to remedy any work order by an insurer. However, Sponsor may exercise veto power over other expenses for a period of five (5) years from the date of the First Closing. Sponsor's consent shall not be required and it shall have no veto rights with regard to any matter affecting the health and safety of the occupants of the Building.

All members of the Board of Managers shall be either: (a) Unit Owners or mortgagees of Units; (b) partners or employees of a partnership owning a Unit or a mortgage covering a Unit; (c) officers, directors, stockholders or employees of corporate owners or corporate mortgagees of Units; or (d) fiduciaries or their beneficiaries who are owners or mortgagees of Units (or directors, officers, stockholders or employees, of corporate fiduciaries, or partners or employees, of partnership fiduciaries unrelated to Sponsor and its Principals). Members of the Board of Managers must be owners of the Unit, but not necessarily occupants of the Unit. However, members elected by Sponsor or its designee need not be Unit Owners.

All officers and members of the Board of Managers shall serve without compensation.

There is presently no mechanism in place to enforce the Sponsor obligations with respect to the Units and Limited Common Elements while Sponsor controls the Board.

The members of the Board of Managers will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual members will be liable for their own bad faith or willful misconduct.

b. Powers and Duties of Board of Managers

The Board of Managers has the powers and duties necessary for and incidental to the administration of the affairs of the Condominium. Such powers and duties include the operation, care and maintenance of the Common Elements, the preparation of an annual budget for the Condominium and the assessment of Common Charges. The powers and duties of the Board of Managers are more fully discussed in Article 2 of the By-Laws.

c. Meetings and Votes of Unit Owners

Within two (2) years after the date of the First Closing, the Sponsor (or Unit Owners) shall call a Special Meeting of the Unit Owners. In accordance with Article 3, Paragraph 3.4 of the By-Laws, the Secretary will notify in writing by mail or telegram giving at least ten (10) business days prior to such meeting, noting of the date, place and time of the meeting. Thereafter on or about the anniversary date of the first Special Meeting, Annual Meetings of the Unit Owners shall be held on such other date as the Board of Managers shall designate, but no less than once a year. At such meetings, the Unit Owners shall elect the Board of Managers. So long as the Sponsor continues to own one or more Units, the Sponsor may designate a member of the Board of Managers at the Annual Meetings. In addition, Special Meetings may be held from time to time pursuant to the By-Laws. At all meetings of the Unit Owners, the presence in person or by proxy of 2 (67%) percent of Unit Owners shall constitute a quorum and, except as noted below or as otherwise provided in the By-Laws or Declaration a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings each Unit Owner (or his proxy) entitled to vote thereat (including the Sponsor with respect to Units owned by the Sponsor) shall be entitled to cast one vote. Cumulative voting shall not be permitted.

d. Officers

The principal officers of the Board of Managers shall be a President, Secretary and Treasurer, all of whom shall be elected by the Board of Managers. All of the officers shall be Unit Owners. No officer who is also a member of the Board of Managers shall receive any compensation for acting as an officer. The officers and members of the First Board of Managers shall be:

- Elazar Orlofsky, *President*
- Abraham Orlofsky, *Treasurer*
- Janine A. Getler, *Secretary*

The duties of the principal officers are as follows:

(I) **President**: The President shall be the chief executive officer of the Board of Managers, preside at all meetings of the Unit Owners and of the Board of Managers.

(II) **Secretary**: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, shall have charge of such books and papers as the Board of Manager may direct, and shall act as President in the absence of the President.

(III) **Treasurer**: The Treasurer shall be responsible for Condominium funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements.

e. Insurance

The Condominium Board is required to obtain and maintain to the extent obtainable, (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or supplied or installed by the Unit Owner), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and certain of their mortgagees, as their respective interests may appear; (b) Workmen's Compensation and New York State disability benefits insurance, if and to the extent necessary to meet the requirements of law; (c) Directors and Officer's Insurance.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least thirty (30) calendar days prior written notice to all of the insured, including all Mortgagees and the Board of Managers. Duplicate originals or certificates of insurance of all policies of physical damage insurance and all renewal thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and to any Mortgagee so requesting at least thirty (30) calendar days prior to expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as such Board may from time to time determine, covering the Board of Managers, the Managing Agent, all employees of the Condominium and each Unit Owner and covering all liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of or incident to the ownership or use of the Common Elements. Each insurance shall be issued on a comprehensive liability basis and shall cover cross-liability claims of one insured against another. The Condominium Board shall review such limits once each year.

Any insurance maintained by the Board of Managers may provide for such deductible amounts as the Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Unit Owners may and are advised to carry other insurance for their own benefit, provided that no Unit Owner shall be permitted to exercise the right to obtain additional insurance so as to decrease the amount which the Board of Managers, on behalf of all the Unit Owners, may realize under any insurance policy or to cause any insurance coverage maintained by the Board to be brought into contribution with such additional insurance coverage obtained by a Unit Owner. The Board may, in addition, elect to obtain other insurance in addition to that set forth herein, and in the By Laws.

f. Repairs of Common Elements

The Board of Managers shall be responsible for the operation, maintenance, repair and replacement of all of the Common Elements, whether located inside or outside of the Units, the cost of which shall be charged to all Unit Owners as a Common Expense; provided that each Unit Owner shall perform normal maintenance on and replacement of the Limited Common Elements appurtenant only to such Owner's Unit, including keeping the same in clean and sanitary condition, free and clear of snow, ice, and any accumulation of water and shall also make all repairs thereto caused or permitted by such Owner's negligence, misuse, neglect, or otherwise except to the extent covered by Insurance. The Unit Owner will not be responsible for or permitted to change or alter common element planters and plantings on the front of the Building or on common element terraces. The Building will maintain this portion of the Limited Common Elements.

g. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board of Managers will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or supplied or installed by the Units Owner). In such event Unit Owners may be assessed for deficits, if any, in insurance proceeds.

If three-fourths or more of the Building is destroyed or substantially damaged and if the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall become subject to an action for partition at the suit of any Unit Owner or Mortgagee pursuant to Section 339-cc of the Condominium Act, in which event the Property will not be repaired and net assets of the Condominium, together with the net proceeds of insurance policies, if any, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such fund, such amounts as may be necessary to discharge all unpaid liens on his Unit in the order of the priority of such liens.

h. Liability of Board of Managers and Unit Owners

Every contract made by the Board of Managers or by any Managing Agent shall state that (a) it is made only as agent for all Unit Owners and such Board members or Managing

Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) except as otherwise determined by the Board of Managers in its sole and absolute discretion, such Unit Owner's interests in his Unit. Board members and officers shall have no liability to Unit Owners for errors of judgment, negligence or otherwise except that a Board member or officer shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units, indemnify each Condominium Board member or officer against any liability or claim except those arising out of his own bad faith or willful misconduct. The Board of Managers may contract or effect any other transactions with any Board member, any officer, any Unit Owner or the Sponsor or any affiliate of any of them without, except in case of bad faith or willful misconduct, incurring any liability for self-dealing.

i. Reports to Unit Owners

An annual itemized accounting of the receipts and expenditures of the Condominium Board shall be submitted by the Board of Managers to all Unit Owners within sixty (60) calendar days after the end of each fiscal year. Detailed books and records of receipts and expenditures affecting the Property and Administration of the Condominium shall be available for examination by the Unit Owners and by their respective duly authorized agents or attorneys in the office of the Managing Agent or of the Condominium during general business hours on working days at the times and in the manner set and announced by the Board of Managers for the general knowledge of the Unit Owners.

j. Amendments to Condominium Documents

The Declaration may be amended by the affirmative vote of Sixty Six (66%) percent of Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-laws, with the following exceptions: (1) the Limited Common Interest appurtenant to each Unit shall not be altered without the approval in writing of every Unit Owner affected and their respective permitted Mortgagees; (2) altering the use of the Building and Units for any use other than residential use the approval in writing of all of the Unit Owners and their respective permitted Mortgagees.

The By-Laws may be amended by the affirmative vote of all Unit Owner, cast in person or by proxy at a meeting duly held for such purpose, except that (1) Article 8 of the By-Laws, which pertains to rights of Mortgagees, may not be amended without the written consent of each Mortgagee.

k. Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of all Unit Owners. In addition, the written consent of each Mortgagee shall be required before such vote is effective. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lien or as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net

proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit in the order of priority of such liens.

l. Procedures to Review Real Estate Tax Assessments

Unit Owners will be assessed and taxed on their Units and their share of the Common Elements, because, pursuant to Section 339-y of the Real Property Law, each Unit and its Common Interest is deemed to be a parcel for all types of assessment and taxation. Therefore, each Unit Owner will be responsible for initiating any review of his Unit's real estate tax assessment.

m. Partition of Common Elements

The Common Elements cannot be divided or partitioned except as provided in the Condominium Act.

n. Smoking Policy

Smoking is not allowed in the following locations: (a) outdoor common areas, including play areas, shared balconies, rooftops, courtyards, patios, porches, or yards; (b) outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds; and (c) indoor common areas including the lobby/reception area. Smoking is allowed in the following locations: (a) inside the residential units; (b) outside spaces that are a part of the residential units, including balconies, terraces, gardens, or any outdoor areas connected to a Purchaser's individual unit. For further definition of smoking, see Rider 3 to Purchase Agreement. See, Rights and Obligations of Unit Owners. Also see, Part II of the Plan, By-Laws.

o. Accumulation of Reserves for Capital Replacements

The Board of Managers is authorized to adopt a budget for the Unit Owners including allocating those amounts necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Elements and those parts of the Units which the Board of Managers is obligated to maintain, repair and replace. Such budget shall include such reasonable amounts as the Board of Managers considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if deemed advisable to the Board of Managers, be either distributed to the Unit Owners in accordance with their Common Interests or credited to the Unit Owners' next monthly installments due, until exhausted. If reserves shall be inadequate for any reason the Board of Managers may at any time levy a further assessment, as provided in Section 6 of the By-Laws.

PROSPECTIVE PURCHASERS AND THEIR COUNSEL ARE ADVISED TO REVIEW CAREFULLY COPIES OF THE DECLARATION (EXHIBIT E of Part II of the Plan) AND BY-LAWS (Exhibit F of Part II of the Plan).

p. Makeup of Board after the Initial Sponsor Control Period

After the Initial Sponsor control period the By-Laws do **not** provide that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household

who are unrelated to Sponsor and its principals. Owner-occupants and non- resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing i.e., purchase as a home as opposed to an investment.

MANAGING AGENT/ COMPANY

The management company for the 68 Commercial Street Condominium will be EBD Management Services LLC, having an address at 515 Rockaway Avenue, Valley Stream, New York 11581, a real estate management firm. The management company is affiliated with the Sponsor. It is possible that the management fees will accelerate while Sponsor controls the Board of Managers. No percentage can be offered at this time as to said escalation if any. Sponsor will include any increase in management fees in Schedule B. Notwithstanding that, fees are consistent with prevailing rates. Unit Owners may select a managing agent after the interim control period. It is possible that the management fees will accelerate if a new managing agent is selected. (See Budget in Part I of the Plan)

EBD Management Services LLC, will receive a fee of $10,000.00 per annum, as the management fee, for a term of three (3) years. The Term shall automatically be extended and the Agreement shall continue upon the terms and conditions herein until terminated at the option of either party at the end of any calendar month on at least sixty (60) days' prior written notice from one party to the other. If the Property shall be demolished or Principal shall fail or refuse to comply or commence to comply with or abide by any rule, order, determination, ordinance or law of any federal, state or municipal authority, Agent may terminate this Agreement if such failure shall continue for thirty (30) days after notice to Principal at any time on twenty-four (24) hours prior written notice to Principal. The Board of Managers does not have the right to cancel the agreement without cause.

The duties of EBD Management Services LLC include but are not limited to:

j) Billing and collecting Common Charges;
k) Causing the Common Elements to be maintained and repaired;
l) Contracting for necessary services for the Common Elements
m) Purchasing supplies necessary to properly maintain and operate the Common Elements;
n) Reviewing bills received in connection with the operation of the Common Elements and causing such bills and other expenses to be paid;
o) Supervising, hiring and discharging employees and contractors;
p) Maintaining accurate sets of books and records (other than books of account to be maintained by the Condominium’s accountants);
q) Sending notices and preparing agendas for meetings of the Board of Managers
r) Processing sales and leases of Units for a processing fee.

No claim shall be made by Principal against Agent, except to the extent based upon loss or damage caused by Agent's willful misconduct, criminal act or gross negligence or as a result of Agent acting outside the scope of Agent's duties under this Agreement.

Neither of the parties may assign this Agreement without the consent of the other, but, notwithstanding anything contained herein to the contrary, Principal shall assign its interest in this Agreement, upon the recordation of the Condominium declaration to the Board of managers of the Condominium, which shall thereupon assume the rights and obligations of the Principal hereunder.

There are currently no contracts or leases binding on the Condominium.

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

a. Sale and Leasing of Units

Normally a Unit Owner may sell, lease or mortgage his Unit without restriction except as set forth in the By-Laws. It must be noted, however, that under this Plan all Units will be subject to a right of first refusal in favor of the Board of Managers. Such right of first refusal generally allows the Board of Managers the first option to purchase or lease a Unit upon the same terms and conditions as may be offered by a third party. The Right of First Refusal is set forth at length at Article 7.2 through 7.5 of the By-Laws.

Pursuant to the By Laws, the Board of Managers will notify a Unit Owner within twenty (20) business days of the date the Unit Owner gave notice of the Sale or Lease. The Board of Managers must exercise its right of first refusal within said twenty (20) business days, otherwise the Unit Owner may proceed with the intended sale within twenty (20) days of the date of either the Board's refusal or the expiration of the twenty (20) business days. In exercising its right the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other ground prohibited by law.

The Condominium Board may not exercise its option to purchase or lease any Unit unless those Unit Owners owning a majority of the aggregate Common Interests of all of the Units vote in favor thereof in person or by proxy at a meeting of the Unit Owners at which a quorum is present. If approval is given, the Condominium Board may assess each Unit Owner (other than the selling Unit Owner), in proportion to its Common Interest, an amount necessary to effectuate the lease or purchase. The Unit may only be used in accordance with the terms as set forth in the Condominium Declaration.

b. Restrictions on the Use of Units and Common Elements; Rules and Regulations

Each Unit and the Common Elements shall be occupied and used as follows:

(I) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof without the prior written consent of the Board of Managers. No Unit Owners shall permit anything to be done or kept in such Owner's Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste shall be committed in the Common Elements.

(II) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion or use of the Property shall be complied with by and at the sole expense of the Unit Owner or the Board of Managers, whichever shall have the obligation to maintain

or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

(III) Nothing shall be altered or constructed or removed from the Common Elements by a Unit Owner (other than a Unit Owner's personal property) except upon prior written consent of the Board of Managers.

(IV) The Common Elements shall be used only for the furnishing of the services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the Units.

(V) No Condominium Unit shall be rented or leased for transient or hotel purposes or in any event for any period less than one (1) year. No portion of a Condominium Unit shall be leased for any period. No Unit Owner shall lease a Condominium Unit other than on a standard form of lease approved by the Board of Managers, which standard lease shall provide that any failure of the lessee to comply with the Declaration or the By-Laws shall be a default under such lease. Each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Managers in accordance with **Article 7 of the By-Laws**. The foregoing provisions of this subparagraph shall not apply to the Sponsor or to a Mortgagee in possession as a result of a foreclosure or other judicial sale or as a result of any proceeding or transfer in lieu of foreclosure, during the period of such Mortgagee's possession.

(VI) The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, shall be and is prohibited within any Unit or upon the Common Elements.

(VII) Nothing shall be affixed to the exterior of any Building, including without limitation window air conditioners, television or radio antennas or other electrical apparatus, except in such manner as may be approved or prescribed in writing by the Board of Managers.

(VIII) No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any signs, bicycles, furniture, packages or objects of any kind. The halls and stairways shall be used for no purpose other than for normal transit.

(IX) No Unit shall be used other than for residential or professional purposes for which the Property was designed. No incidental business activities which cater to the public or which will materially increase the number of visitors to the Condominium may be conducted in any Unit or in the Common Elements. For example: The Units may not be used as a Home Office.

(X) Each Unit and the Common Elements shall be occupied and used in compliance with the Rules and Regulations which may be promulgated and amended by the Board of Managers. Copies of the Rules and Regulations shall be furnished by the Board of Managers to each Unit Owner. Amendments to the Rules and Regulations shall be conspicuously posted prior to the time when the same shall become effective and copies thereof shall be furnished to each Unit Owner upon request.

c. Common Charges: Determination and Assessment

Common Expenses will be determined by the Board of Managers and will be borne solely by Unit Owners in accordance with their percentage of interest in Common Elements. Common Expenses include, among other things, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to Common Elements (excepting, however, costs and expenses in connection with normal maintenance of the Limited Common Elements) and may include amounts for certain other items as the Board of Managers may deem proper, such as management, legal and audit fees and amounts for reserves. Common Expenses are allocated to Unit Owners in accordance with their respective Common Interests.

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to the Unit Owners to meet such expenses. The Board of Managers shall have the right to accumulate reserves for capital expenditures and include such items in the budget. The Board of Managers will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board of Managers, Common Charges will be payable monthly in advance on the first day of each month.

d. Common Charges: Collection and Lien for Non-Payment

No Unit Owner may exempt himself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. However, a Unit Owner will no longer be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance of such Unit and the new Unit Owner will be liable for all Common Charges after the date of the sale, transfer or other conveyance.

On a resale of a Unit, the Purchaser will be liable for the payment of Common Charges, accrued and unpaid against such Unit prior to his acquisition, except that, to the extent permitted by law, the holder of a mortgage or the Purchaser of a Unit at a Mortgage foreclosure sale will not be liable for, and such Unit will not be subject to, a lien for the payment of such charges accrued prior to the foreclosure sale. In the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or Purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. The Board of Managers will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Under the provisions of Sections 339-z and 339-aa of the New York Condominium Act and Article 6 of the By-Laws, the Board of Managers on behalf of all Unit Owners will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable law, will be subordinate to liens for real estate taxes on the Unit and any sums unpaid on Mortgages of record on such Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Office of the City Register in New York County, New York and until all sums secured thereby with the interest accrued thereon shall have been fully paid or until six years from the date of filing (unless foreclosure of such lien is started within such six-year (6) period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Board of Managers (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or and action may be brought on the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

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 while it is in control of the Board of Managers.

e. Repairs to and Maintenance of Units and Common Elements

The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that requests for entry, except in emergencies, shall be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent (if any) a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages to any Unit or to the Common Elements resulting from the exercise of such right of access. All repairs and replacements performed by the Sponsor as a result of any such damages will be substantially similar to the original construction and installation and will be of first-class quality.

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements included therein) and the interior side of entrance doors thereto will be made by the Owner of such Unit at such Unit Owner's sole cost and expense, and in or to the Common Elements will be made by the Condominium Board of Managers and the cost and expense thereof will be charged to the Unit Owners as a Common Expense. Normal maintenance of any Limited Common Elements will, however, be the responsibility and the expense of the Unit Owner of the Unit to which the Limited Common Elements are appurtenant. Normal maintenance includes keeping the Limited Common Elements free and clear of snow, ice and any accumulation of water. The Unit Owner will not be responsible for or permitted to change or alter common element planters and plantings on the front of the Building or on common element terraces. The Building will maintain this portion of the Limited Common Elements. Unit Owners will be required to allow the Board of Managers, or the Managing Agent, if any, access to the common element terraces to do the required maintenance.

The By-Laws provide that each Unit and its Common Elements shall be kept in first class condition (and with respect to any terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board of Managers, whichever is responsible for the maintenance thereof. In the event that any Unit Owner fails to keep his Unit or appurtenant Limited Common Elements in such condition the Board of Managers may, at the expense of the Unit Owner, enter his Unit or such Limited Common Elements and perform such acts as are necessary to cure such default (See "Rights of Access" at Section 5 of the By-Laws).

In addition, such Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from such Owner's failure to make any required repairs, or from such Owner's negligence or abuse.

f. Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board of Managers. This provision does not apply to the Sponsor or its designee until a deed to the Unit affected has been delivered to the Purchaser thereof.

Generally, all alterations, additions, or improvements in or to any Common Element will be made by the Board of Managers and the cost and expense thereof will be charges to all Unit Owners as a Common Expense.

g. Insurance Coverage

Article 8 of the By-Laws sets forth in full details concerning Insurance. Generally, the Board of Managers shall obtain and maintain the following insurance:

(I) A policy in an amount sufficient to avoid the effects of co-insurance covering "all risk" perils, including fire insurance with extended coverage, vandalism and malicious mischief endorsements. Such insurance shall include all of the Units created or to be created and the floor coverings and bathroom and kitchen fixtures and appliances initially conveyed with the Units by the Sponsor, but shall not include furniture, furnishings or other personal property or improvements supplied or installed by Unit Owners. Amounts of coverage shall be determined annually by the Board of Managers with the assistance of the insurance company affording such coverage;

(II) Workmen's Compensation insurance and New York State disability benefits insurance, if and to the extent necessary to meet the requirements of law; and

(III) Such other insurance as the Board of Managers may determine or as may be requested from time to time by a majority of the Unit Owners.

The Board of Managers shall obtain and maintain, to the extent obtainable, public liability insurance for bodily injury and property damage (including, with regard to the Board

of Managers and the Managing Agent, if any, libel, slander, false arrest, wrongful eviction and invasion of privacy coverage) covering the Board of Managers, the Managing Agent, if any, and each Unit Owner. All such insurance shall be carried in such limits as the Board of Managers may from time to time determine, insuring, as appropriate, each member of the Board of Managers, each officer, the Managing Agent, if any, all employees of the Condominium, if any, and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents, and employees) arising out of or incident to the ownership or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to any action against another named insured and a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of another Unit Owner. The Board of Managers shall review policies and limits once each year.

If required by any governmental or quasi-governmental agency, the Board of Managers shall obtain flood insurance in accordance with the then applicable regulations of such agency.

The cost of all insurance purchased by the Board of Managers pursuant to Section 8 of the By-Laws shall be a Common Expense.

Unit Owners are advised to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacements, additions, fixtures, upgraded fixtures and improvements, and liability coverage for occurrences within the Unit or the Limited Common Elements. Purchasers should note that the foregoing insurance policy will not cover losses sustained to personal property or to fixtures located within Units or appurtenant Limited Common Elements which re not the responsibility of the Board of Managers to maintain or repair nor will it cover liability for personal injury or property damage for occurrences within Units or any appurtenant Limited Common Elements. Insurance coverage for such items, if desired, will be at the sole expense of each Unit Owner. In the event of damage to any Limited Common Element which is covered by the insurance, any insurance proceeds relating thereto will be paid by the Board of Managers or insurance trustee to the affected Unit Owner, if such Unit Owner is obligated to repair the damage. A fidelity bond for the Managing Agent is included.

In the opinion of HUB International, the amount of fire insurance coverage is adequate to cover replacement cost; the policy is for an agreed amount and the replacement cost is approximately $525.13 per square foot. The fire, casualty and general liability policy will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Board of Managers or other authorized party and Permitted Mortgagees who have requested such notice writing. The policy will waive subrogation, invalidity because of the acts of the uninsured and Unit Owners and any pro-rata reduction if Unit Owners obtain additional coverage.

h. Separate Insurance

Each Unit Owner shall have the right, at such Owner's expense, to obtain casualty and liability insurance coverage upon personal property, and for personal liability and theft; provided that no Unit Owner shall be entitled to exercise such right so as to decrease the amount which the Board of Managers, on behalf of all Unit Owners, may realize under any insurance

policy on the Property or to cause any insurance coverage maintained by the Board of Managers to be brought into contribution with such additional insurance coverage obtained by a Unit Owner.

i. Rights of Access

As more fully set forth in Article 3 of the By-Laws, the Sponsor, the Board of Managers, any Managing Agent and other persons authorized by the Board of Managers will have a right of access to any Unit for the purposes, among other things, of making inspections of, or removing, violations of governmental laws or regulations and of curing defaults by the Owner of such Unit under the Declaration, By-Laws or Rules and Regulations enacted in accordance therewith or of correcting any conditions originating in any Unit and threatening another Unit or any Common Element, and for Building maintenance of Common Elements.

The Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, including obtaining the FCO.

The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that requests for entry, except in emergencies, shall be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent (if any) a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages to any Unit or to the Common Elements resulting from the exercise of such right of access. All repairs and replacements performed by the Sponsor as a result of any such damages will be substantially similar to the original construction and installation and will be of first-class quality.

j. Compliance with Terms of Declaration, By-Laws and Rules and Regulations Made in Accordance Therewith

Each Unit Owner must strictly comply with the provisions of the Declaration, By- Laws and the Rules and Regulations made in accordance therewith. Failure to comply is grounds for an action for damages or injunctive relief, or both. The By-Laws will be recorded with the Declaration in the Office of the City Register, New York County.

As of current, there are no mechanisms in place to resolve disputes between unit owners and the Board after the sponsor surrenders control.

REAL ESTATE TAXES

The following discussion of the income tax consequences of purchasing and owning a Unit pursuant to the Plan was prepared by the Sponsor with the advice of its counsel, Janine A. Getler, Esq. It is intended for the general information of prospective Purchasers only. It is the opinion of counsel that, based on the information contained in the Plan and current federal, state, and local laws, the discussion below is accurate. However, prospective Purchasers should be aware that Sponsor's Counsel is acting as counsel to the Sponsor and not to the Unit Owners. Thus, prospective Purchasers may wish to consult their own tax advisers as to the matters described below. Real estate taxes have been estimated as described in the Opinion of Metropolitan Realty Exemptions, Inc., dated May 18, 2023, as set forth in Part II of this Plan.

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for Real Estate tax purposes. Unit Owners will not be responsible for payment of nor will the Unit be subjected to any liens arising from the non-payment of taxes on other Units. At this juncture we do not anticipate any delay in obtaining separate tax assessments by local tax assessor's office. Until the Units are separately assessed the Real Estate tax will be paid by the Board of Managers with respect to the property and will allocate the cost thereof among all Unit Owners in proportion to each Units Common Interest.

Notwithstanding any of the foregoing, owners of condominium units who meet the eligibility requirements for the Condominium Property Tax Abatement, including but not limited to the designation that the unit in question is the owner's primary residence can have their property taxes reduced. The amount of the abatement is based on the average assessed value of the residential units in the Condominium.

a. Deductibility of Real Estate Taxes and Interest

As described in the section of the Plan entitled "Introduction", real estate taxes will be assessed separately against each Unit. A Unit Owner who itemizes deductions for federal income tax purposes will be entitled to deduct real estate taxes paid by him or her with respect to such assessment. Furthermore, a Unit Owner who itemizes deductions for federal purposes will also be entitled to a deduction for interest paid on any indebtedness incurred to acquire his or her Unit.

The assessed valuation of the various Units are determined by the Real Property Assessment Department of the New York City Department of Finance. The tax rate is determined by the New York City Council which entity publishes the rate annually in June of each year. The estimated transitional assessed valuation of the Property for tax year 2025/2026 to be set by the New York City Department of Finance is $524,790. Because construction is anticipated to be complete by December 2024, the Metropolitan Opinion Letter has projected that the Property will be assessed for 2025/2026 as 100% completed, and projected that the assessment will be $64,376. The Class 2 tax rate for fiscal year 2023/2024 has been set at $12.267 per $100. The projected Class 2 rate will be $20.309 per $100 of assessed value for fiscal year 2024/2025 and that Class 2 rate will be $12.267.80 per $100 of assessed value in 2025/2026. The estimated real estate tax obligations of the Unit Owners for the First Year of Condominium Operations, without tax benefits, is based on the taxes for 83% of 2024/2025 and 17% of 2025/2026 tax years with an assessed valuation of $100,000 and $87,465 respectively. The total taxes are estimated to be approximately $31,038 for Residential Units.

These estimates are based on similar properties in the area. The tax assessment for each unit may be allocated on a basis that differs from the allocation of common interests. The current figures are estimates. See, Metropolitan Realty Exemptions, Inc. Letter in Part II of the Plan.

There are no tax certiorari proceedings currently pending. For more information on the Real Estate Taxes, please see Part II of the Plan for the Bylaws – Sections (IV)(u); (VI)(3)(a); (VI)(3)(f); (VI)(4)(b); (VI)(4)(c); (VI)(4)(d);(XI)(3)(b).

b. Tax Cuts and Jobs Act of 2017

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. However, because this Plan is being prepared in 2019, deductions now differentiate from the Tax Cuts and Jobs Act of 2017. See Part II of the Plan for Real Estate Tax Letter and Counsel Tax Opinion Letter. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the Purchaser's taxes and/or deductions. Purchasers should not rely on any representations in the Plan addressing taxes and deductions without first consulting a tax expert.

c. Transfer Tax

The real estate transfer tax imposed pursuant to section 1402 of Article 31 of the New York State Tax Law shall be paid by the Sponsor and such tax shall not be payable, directly or indirectly, by the Purchaser except as provided in a contract between Sponsor and Purchaser. If the Sponsor has failed to pay the tax imposed by this article at the time required by section 1410 of Article 31 of the New York State Tax Law or if the Sponsor is exempt from such tax, the Purchaser shall have the duty to pay the tax. Where the Purchaser has the duty to pay the tax because the Sponsor has failed to pay, such tax shall be the joint and several liability of the Sponsor and the Purchaser; provided that in the event of such failure, the Purchaser shall have a cause of action against the Sponsor for recovery of payment of such tax, interest and penalties by the Purchaser. In the case of a conveyance of residential real property as defined in subdivision (a) of section 1402(a) of Article 31 of the New York State Tax Law, if the tax imposed by this article is to be paid by the Purchaser pursuant to a contract between the Sponsor and the Purchaser, the amount of such tax shall be excluded from the calculation of consideration subject to tax under this article. Where the consideration includes property other than money, it shall be presumed that the consideration is the fair market value of the real property or interest therein. Pursuant to the New York State Tax Law Section 1404(a).

d. Supplemental Tax

On March 1, 2019, New York State established a new supplemental tax on certain conveyances of real property within New York State This amended tax rate applies only to conveyances of real property in cities with a population of 1 million or more, which includes New York City. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is $2 million or more. The additional supplemental tax applies to all applicable transfers occurring after July 1, 2019. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the Purchaser's taxes and/or deductions. Purchasers should not rely on any representations in the Plan addressing taxes and deductions without first consulting a tax expert.

e. Mansion Tax

Tax is computed at a rate of two dollars for each $500, or fractional part thereof, of consideration. An additional tax of 1% of the sale price ("mansion tax") applies to residences where consideration is $1 million or more. Beginning on July 1, 2019, certain conveyances of real property or interests therein, located in New York City (other than a conveyance made pursuant to a binding written contract entered into on or before April 1, 2019) are also subject to the following taxes: (1) A tax of $1.25 for each $500, or fractional part thereof, when the consideration for the entire conveyance of residential real property is $3 million or more ("additional base tax"), (2) An additional base tax of $1.25 for each $500, or fractional part thereof, when the consideration for the entire conveyance of property other than residential real property is $2 million or more, (3) A supplemental tax on the conveyance of residential real property, or interest therein, where the consideration is $2 million or more. The tax rate is an incremental rate between .25% and 2.9% based on the purchase price. As the Mansion tax is a statutory obligation of the Purchaser, the payment by Purchaser of the Mansion Tax is not treated as additional consideration for the transaction. However, the New York City Department of Finance has taken the position that the amount of Mansion Tax due at Closing (if any) is calculated based on the Taxable Consideration and not the Purchase Price. Therefore, Purchasers should be aware that in some instances it is possible that the inflation of the consideration by virtue of the State Transfer Tax, Real Property Tax and other fees can cause a Purchase Price of less than $1 million to exceed $1 million in Taxable Consideration.

f. Tax Treatment of the Condominium

The Condominium may be subject to federal income taxes, as a separate entity, on its taxable income (if any) unless it is eligible for and elects tax exempt status under Section 528 of the Internal Revenue Code. Such an election would exempt the Condominium from federal income tax on certain types of income. Whether or not the Condominium will be eligible to make the election under Section 528 depends on various factors, including the purposes for which it is formed, the sources of its income and the uses to which that income is put. It is anticipated that the Condominium will so qualify as more particularly set forth in Sponsor's attorney opinion letter set forth in Part II of the Plan.

The Condominium Board may act as an agent of each Unit Owner who has given his written authorization to complain or apply to the Board of assessment review of the assessing agency by filing a single complaint on behalf of all such Unit Owners and to commence and prosecute a special proceeding for the review of assessments of real estate property as an aggrieved person. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and may charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees, for which charges the Condominium Board shall have a lien pursuant to the terms of the By-Laws as set forth in Section 5 of the By-Laws.

RESERVE FUND

There will be a Reserve Fund as described in the Budget. The Reserve Fund is for the purpose of costs and expenses relating to capital repairs, replacements or improvements that may be needed on the Property. In addition, at each closing of a Unit, the Purchaser will be required to pay a non-refundable contribution to the first year's Reserve Fund equal to one month of Common Charges for the Unit. (See Part II, Exhibit F-By-Laws, Article VI, Section 5(a)).

While the Sponsor is in control of the Board of Managers, the Reserve Fund may never be used to reduce projected Common Charges in the Plan.

Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements, and/or improvements to the Common Elements as the need for such arises.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND. NO RESERVE FUND HAS BEEN PROVIDED FOR EXCEPT AS SET FORTH ABOVE.

WORKING CAPITAL FUND

At the closing of each Unit, each Purchaser from Sponsor will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium in an amount equal to one month's common charge however, neither Sponsor nor any entity related to or owned or controlled by Sponsor will be obligated to make such payment. The funds contributed to working capital will be deposited in a separate special bank account. The fund shall be used to adjust for any prepaid expenses by the Sponsor for the benefit of the Condominium. It is not anticipated that there be any substantial credit to the Sponsor generated at closing of title beyond the sum total of the working Capital Fund. In addition in as much as this is a new construction project, Sponsor deems this fund adequate for any capital improvement expenditures during the first five (5) years of operation. In the event, this fund is insufficient; the balance of any monies owed shall be paid to Sponsor within six (6) months after the First Closing. While Sponsor is in control of the Board of Managers, the Working Capital Fund shall not be used to reduce the Common Charges otherwise payable.

No representation is made that the Working Capital Fund will be sufficient to accomplish the purpose set forth above. If additional funds are required, it may be necessary to increase the Common Charges or to impose a special assessment against all Unit Owners.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND. No representation is made that the Working Capital Fund will be, or is intended to be adequate to cover current or future expenses for the first year of Condominium Operation

NO WORKING CAPITAL HAS BEEN PROVIDED FOR EXCEPT AS SET FORTH ABOVE.

IDENTITY OF PARTIES

a. **Sponsor**:

The Sponsor, 68 Commercial Street LLC, and its principal, Elazar Orlofsky, all have a business address of 515 Rockaway Avenue, Valley Stream, 11581, have extensive experience in construction in the New York metropolitan area.

There have not been any prior felony convictions of Sponsor and/or any principals of Sponsor. There have not been any prior bankruptcies, convictions, injunctions and judgments against the sponsor, any principals of the sponsor, and/or entities in which principals of the sponsor were principals, that may be material to the offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of the proposed offering plan.

With respect to prior offerings which were initially offered in the last five (5) years, Sponsor has taken part in similar offerings at 88 Lexington in Brooklyn, NY and 83 Eagle in Brooklyn, NY. Principal of Sponsor, Elazar Orlofsky has taken part in development of residential, commercial and mixed use projects, primarily in the New York City region.

These principals are current in their financial obligations with respect to these projects.

b. **Selling Agent:**

The Corcoran Group, with a business address of 245 Bedford Avenue. Brooklyn, New York was founded in 1973, and has extensive experience in marketing and sales. Tom Lee will be the Selling Agent of The Corcoran Group for the Sponsor.

c. **Sponsor's Attorneys:**

The Sponsor is represented by the law firm of Getler, Gomes & Sutton, P.C., 2 Executive Boulevard, Suite 410, Suffern, New York 10901 in all legal matters pertaining to this Plan. Janine A. Getler prepared the Offering Plan. Janine A. Getler is not related to the Sponsor.

Sponsor has retained the firm of Metropolitan Realty Exemptions, Inc., having an office at 349 Keap Street, Brooklyn, New York 11211 to provide the Real Estate Tax Opinion set forth in Part II of the Plan.

Sponsor has retained the law firm of Handwenger, Cardegna, Funkhouser & Lurman, P.A., having an office at 1954 Greenspring Drive, Ste. 305, Timonium, Maryland 21093, to provide the Income Tax Opinion set forth in Part II of the Plan.

d. **Architect:**

StudiosC is an internationally published and award-winning, full-service architecture and design studio located in Brooklyn, New York. The office is engaged in a diverse range of work including residential, mixed-use, and commercial development in New York City, on Long Island, and in Upstate, New York. The scale of these projects ranges from master planning to interior remodeling. StudiosC was founded in 2014. Using their combined experience in design and construction of residential, commercial, and educational projects in the United States and Europe. StudiosC has an office at 37 Greenpoint Avenue, Brooklyn, New York 11222.

REPORTS TO UNIT OWNERS

It is the obligation of the Board of Managers of the condominium to give all Unit Owners annually: a financial statement of the condominium prepared by a certified public accountant or public accountant by a specified date; such statement shall be certified while the Sponsor is in control of the Board of Managers, prior notice of the annual Unit Owners' meeting; and a copy of the proposed annual budget of the condominium by a specified number of days prior to the date set for adoption thereof by the Board of Managers; while the Sponsor is in control of the Board of Managers such budget shall be certified in compliance with the applicable regulations.

A financial statement of the Condominium prepared by a certified public accountant or public accountant, within one hundred twenty (120) days after the end of each fiscal year of the Condominium will be given to the Unit Owners annually while Sponsor is in control of the Board. At least thirty (30) days prior, Unit Owners will be given a copy of the proposed annual budget of the Condominium prior to the date set for the adoption by the Condominium Board.

DOCUMENTS ON FILE

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at a specified location for six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit.

GENERAL

There are no lawsuits, administrative proceedings or other proceedings the outcomes of which may materially affect the offering, the Property, and Sponsor's capacity to perform all of its obligation under the Plan, the Condominium or the operation of the Condominium.

The Property was not subject to any prior Cooperative or Condominium offerings. Sponsor has not entered into any preliminary binding agreements nor has any money been collected from prospective Purchasers. No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date the Plan has been accepted for filing.

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

The Sponsor reserves the right to amend the Plan at any time (a) before the Plan is declared effective provided that, if the amendment effects any material change in the Plan and is not made solely for the purpose of declaring it effective, anyone who has theretofore executed a Purchase Agreement shall be given not less than fifteen (15) calendar days in which to elect to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith, or (b) after the Plan is declared effective, subject to the rights of persons who have theretofore executed Purchase Agreements unless, at the election of the Sponsor, anyone who has theretofore executed a Purchase Agreement is given an election to cancel his Purchase Agreement and obtain a refund, all as and in the manner provided in clause (a) of this sentence.

There are no reciprocal covenants or easements, impending adjacent high rise construction, or any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation which will affect the use or enjoyment of the Property. All of the Units offered in the Plan are vacant.

In order to facilitate the operation and maintenance of the Building and the sale of Units therein, each of the Units will be subject to certain easements. These easements are set forth in detail in the "Declaration of Condominium" annexed as Exhibit D-1 to Part II of the Plan.

Generally, subject to certain exceptions including, among others, exceptions concerning mortgagees, any provisions of the Declaration or By-Laws may be amended, modified, added to or deleted by affirmative vote of all Unit Owners.

Under the provisions of the New York "Condominium Act", no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Board of Managers shall constitute trust funds for the purpose of paying the cost of labor

performed or materials furnished at the request or with the consent of the Board of Managers or the Managing Agent.

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) or until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of all Unit Owners. In addition, the written consent of each Mortgagee shall be required before such vote is effective. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lien or as if owned in common, in which event the net proceeds of the sale shall be divided among all the Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any lien on his Unit in the order of priority of such liens.

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. The Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, other than those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan, of the Declaration, By-Laws, form of Purchase Agreement, form of Unit Deed, and certain legal opinions and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with the Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

The Sponsor reserves the right to amend the Plan at any time (a) before the Plan is declared effective provided that, if the amendment effects any material change in the Plan and is not made solely for the purpose of declaring it effective, anyone who has theretofore executed a Purchase Agreement shall be given not less than fifteen (15) calendar days in which to elect to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith, or (b) after the Plan is declared effective, subject to the rights of persons who have theretofore executed Purchase Agreements unless, at the election of the Sponsor, anyone who has theretofore executed a Purchase Agreement is given an election to cancel his Purchase Agreement and obtain a refund, all as and in the manner provided in clause (a) of this sentence.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITIONS

The Sponsor hereby adopts The Descriptions of Property and Specifications or Building Condition set forth as Exhibit "D" to Part II of the Plan. Sponsor represents that Sponsor has no knowledge of material defects or need of major repairs to the Property as set forth in such description of Building or Property reports.

Dated: July 18, 2023
New York, New York

PART II

EXHIBIT A: PURCHASE AGREEMENT

PURCHASE
AGREEMENT

_____,

Purchaser

with

68 COMMERCIAL STREET LLC,

Seller

68 Commercial Street Condominium
68 Commercial Street
Brooklyn, New York 11222

Residential Unit _____

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PURCHASE AGREEMENT

THE 68 COMMERCIALS STREET CONDOMINIUM

Date:_____, 202_

Purchaser(s) Name: _____

Phone Number(s): Home:_____Business:_____

Address: _____

City/State/Zip Code:_____

Unit: _____

Common Interest:_____%

Purchase Price	$
Down Payment (10% x A)	$
Balance Due at Closing (A-B-C)	$
Working Capital Deposit (See Paragraph 2 (e))	$
Reserve Fund Deposit (See Paragraph 2 (e))	$
Utility Deposit	$

Estimated Closing Date: _____

Selling Agent:_____

Broker: _____

WHEREAS, 68 Commercial Street LLC**,** a New York limited liability company, having an office at 515 Rockaway Avenue, Valley Stream, NY 11581 (the "Seller") has prepared and filed a Condominium Plan and desires to offer for sale, pursuant to Article 9-B of the Real Property Law of the State of New York, the aforementioned Units located at 68 Commercial Street, Brooklyn, New York (the "Property"), and Purchaser desires to purchase a Unit therein; and

NOW, THEREFORE, the Seller and Purchaser mutually agree as follows:

1. Agreement to Purchase

Purchaser agrees to purchase and Seller agrees to sell the Condominium Unit (the "Unit") designated on the prior page in the 68 Commercial Street Condominium, together with the undivided interest in the Common Elements appurtenant thereto. The Unit is depicted in the Offering Plan (the "Plan") which Purchaser has reviewed. The Purchase Price and the percentage of undivided interest in the Common Elements appurtenant to the Unit are shown on the first page of this agreement (the "Purchase Agreement" or "Agreement").

2. Payment for Unit

a. The Down Payment is payable as follows:

(i) $_____ (the "Initial Down Payment" or 10% of the Purchase Price), due upon Purchaser's signing and submitting this Agreement).

b. Purchaser has made the down payment ("Down Payment") shown on the first page of this Agreement by [certified] check or wire transfer, made payable to "Getler, Gomes & Sutton, PC as Escrow Agent." Seller hereby acknowledges receipt of the funds, subject to collection. In the event that this or any other check delivered by the Purchaser fails of collection, then this Purchase Agreement may be deemed void as if the same had never been executed at the option of Seller, which reserves the right to exercise this option in its sole discretion.

c. The Purchaser acknowledges that a payment made of $300 to receive a copy of the Plan will be returned upon return of the Plan.

d. The Balance Due at Closing shall be payable at the closing of title (the "Closing") by unendorsed, certified check of Purchaser drawn on, or a cashier's check of, a bank or trust company which is a member of the New York Clearing House Association directly to the order of Seller or such other party as Seller shall specify. Purchaser's payment of the Balance Due and acceptance of a deed to the Unit shall constitute Purchaser's acknowledgment that Seller has satisfactorily performed those obligations stated in the Plan and in this Agreement to be performed by Seller at or prior to Closing.

e. In addition to the Balance due at Closing and any other requirements contained herein, including adjustments, Purchaser shall pay to Seller as agent of the Board of Managers of the Condominium, at or before the Closing, the sum set forth on the first page of this Agreement, representing Purchaser's proportionate share of the Condominium's reserve fund and working capital and the sum set forth on the first page of this Agreement, representing Purchaser's estimated utility cost for one month. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND. NO RESERVE FUND HAS BEEN PROVIDED FOR EXCEPT AS SET FORTH ABOVE.

f. Purchaser shall also submit an executed "Request for Taxpayer Identification Number and Certification" form known as the "W-9 Form" (or, if applicable, "Certificate of Foreign Status", known as the "W-8BEN Form") (see Rider 2), along with the Down Payment. If the W-9 (or W-8BEN) Form is not submitted with the Purchase Agreement, the Seller or Escrow Agent may return the Down Payment.

g. If any check is returned for insufficient funds or for any other reason, Seller, at its option, may declare this Agreement void and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as Liquidated Damages or may declare a default by Purchaser under this Agreement which shall entitle the Seller to exercise any of the options set forth in the Agreement.

3. <u>Receipt of Documents and Incorporation of Plan</u>

a. Purchaser acknowledges having had full opportunity to examine all documents and investigate all statements contained herein and in the Plan and all amendments thereto for at least three (3) full business days prior to the execution of this Agreement. The Purchaser has read and agrees to be bound by the Plan (including, without limitation, the proposed Declaration, By-Laws, Rules and Regulations and other documents made part of Part II of the Offering Plan and the Schedules, Plans and Exhibits attached thereto) and any additions and amendments thereto, all of which are incorporated by reference and made a part of this Agreement with the same force and effect as if set forth in full in this Agreement.

b. If Purchaser has not been afforded at least three (3) full business days to examine the Plan, then and in that event, Purchaser shall be given seven (7) days after delivering an executed Purchase Agreement, together with the required Down Payment, to rescind the Purchase Agreement and have the full Down Payment refunded promptly. Such rescission must either: be in writing, addressed and sent to Seller and be postmarked; or hand-delivered by the seventh day subsequent to Purchaser's executing and delivering such Purchase Agreement. A Purchaser, who executes a Purchase Agreement, after having had three (3) business days to review the Plan, shall not be permitted the aforementioned time period to rescind for any reason.

In order for this subparagraph (b) to be operative, all parties to this Agreement must strike out subparagraph (a) and place their initials in the margin

denoting their agreement.

4. No Mortgage Contingency

The terms and conditions of this Agreement and Purchaser's obligations thereunder shall not be conditioned upon the issuance to Purchaser of a commitment for mortgage financing. **If Purchaser is unable to pay the Balance Due at Closing, then Seller will retain the Down Payment plus interest (subject to the Purchaser's right to contest same) and this Agreement will be deemed terminated.**

Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor Selling Agent makes any representations or warranties as to the availability of mortgage financing. If a Purchaser is relying upon financing, Purchaser will assume the risks of meeting all conditions and requirements of the Lender to obtain and fund the loan on the date set by Sponsor for Closing of title under the Purchase Agreement, including conditions and requirements that may be beyond Purchaser's control, such as: meeting all requirements concerning Purchaser; meeting a requirement for a certain percentage of Units to be "owner-occupied" and losing a "lock in" interest rate because Closing of title fails to occur before the expiration of the period within which the loan must close to obtain the locked in rate. A prospective Purchaser who is relying on financing is advised to inquire with a proposed lender or mortgage broker as to whether the Purchaser will qualify before entering into a Purchase Agreement.

5. Monies to be Held in Trust

"THE PURCHASER OF THIS UNIT MAY REQUIRE SELLER TO DEPOSIT THE INTITIAL ADVANCE MADE BY THE PURCHASER IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, SELLER MAY POST A BOND OR CONTRACT OF INDEMNITY OR LETTER OF CREDIT WITH PURCHASER GUARANTEEING THE RETURN OF SUCH ADVANCE."

THE ABOVE STATEMENT IS MADE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 71-a (3) (e) OF THE LIEN LAW OF THE STATE OF NEW YORK, WHICH APPLIES TO A CONTRACT OF SALE OF A RESIDENTIAL CONDOMINIUM UNIT.

a. The law firm of Getler, Gomes & Sutton, PC, with an address at 2 Executive Boulevard, Suite 410, Suffern, New York 10901, telephone number (845) 533-4475, shall serve as escrow agent ("Escrow Agent") for Seller and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Janine A. Getler, Esq. The designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Seller, Selling Agent, Managing Agent, or any principal thereof, or has any beneficial interest in any of the

foregoing.

b. Escrow Agent and the authorized signatory hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Down Payment from escrow.

c. The Escrow Agent has established the escrow account at Orange Bank & Trust, which has offices at 254 S. Main Street Suite 1110, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Getler, Gomes & Sutton, PC, Attorney Escrow Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per Down Payment. Any Down Payment in excess of $250,000 will not be insured.

d. All Down Payments received from Purchaser shall be in the form of Purchaser's unendorsed, personal checks drawn on, or a cashier's check of a bank or trust company which is a member of the New York Clearing House Association, and shall be made payable to or endorsed by the Purchaser to the order of "Getler, Gomes & Sutton, PC, as Escrow Agent".

e. The interest rate for all Down Payments made into the Escrow Account shall be the prevailing rate for such accounts, which, as of _____ ____, 202___, is 0.05%. Interest shall begin to accrue upon placing the Down Payment into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Seller shall bear all costs associated with the maintenance of the Escrow Account.

f. Within five (5) business days after the Purchase Agreement has been tendered to the Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Escrow Account. Within ten (10) business days of placing the Down Payment in the Escrow Account, the Escrow Agent shall provide written notice to Purchaser and Seller, confirming the Down Payment. The notice shall provide the account number and the initial interest rate to be earned on the Down Payment. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of the Purchase Agreement.

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

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

i. Under no circumstances shall Seller seek or accept release of the Down Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Seller of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

j. The Escrow Agent shall release the Down Payment if so directed:

(i) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 7 upon closing of title to the Unit; or

(ii) in a subsequent writing signed by both Seller and Purchaser; or

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

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

The Seller shall not object to the release of the Down Payment 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 Escrow Agent will maintain all records concerning the escrow account for seven (7) years after the release of all funds from the escrow account**.** 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.

k. 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 Down Payment in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

l. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

m. 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).

n. 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.

o. Seller agrees that Seller and its agents, including any selling agents, shall deliver the Down Payment received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within five (5) business days of tender of the Down Payment by Purchaser.

p. 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.

q. Seller shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8BEN, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Down Payment and this Purchase Agreement.

r. Prior to release of the Down Payment, Escrow Agent's fees and disbursements shall neither be paid by Seller from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

s. Seller agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself. Seller does not intend to post a bond or contract of indemnity or obtain a letter of credit. If Seller secures a bond or contract of indemnity or obtains a letter of credit, it will do so by means of a duly filed amendment to the Plan.

t. If this Agreement is terminated due to Purchaser's Default, Seller will be

entitled to receive the Liquidated Sum, as described in Paragraph j. above and defined in Paragraph 13 below.

u. In addition to the provisions of Paragraph j. above, if Seller cannot convey to the Unit or does not record the Declaration and abandons the Plan, the Down Payment shall be returned to Purchaser with interest, if any.

6. Condominium Documents

The Declaration and By-Laws will be recorded by Seller in the Office of the City Register, Kings County, New York, prior to the conveyance of the first Unit as set forth in the Plan. When the Declaration is recorded or amended, Seller shall file a verified statement of a registered architect or licensed professional engineer certifying that the plans theretofore filed or being filed simultaneously with such amendment fully and fairly depict the layout, location, Unit designation and approximate dimensions of the Units as built. The Declaration and By-Laws when recorded by Seller will be substantially the same as the Declaration and By-Laws contained in the Plan and any changes therein will not substantially adversely affect Purchaser. Purchaser hereby accepts and approves the Condominium Documents and agrees to abide and be bound by the terms and conditions thereof.

7. Closing of Title

a. Notwithstanding the estimated closing date set forth on page 1 of this Agreement, the Closing shall be held at such time and place as Seller shall designate. The hour and date (the "Closing Date") may be changed by Seller, but it will be no earlier than thirty (30) days after the date on which written notice is given to Purchaser of the Closing Date, unless the parties agree in writing to an earlier date. In such notice from Seller, Purchaser may be given several dates from which to select for a Closing. If a Closing is set for any date after the last date listed in the Seller's notice, the lapse between such last date and the Closing Date will be deemed an adjournment by Purchaser. The Closing may be adjourned from time to time by Seller. Such adjourned date shall be deemed the new Closing Date. The Closing shall occur only after or concurrently with the compliance with the prerequisites as set forth under the "Terms of Sale" in Part I of the Plan. However, if the First Closing takes place before_____, Sponsor may schedule closing of title to other units significantly later than such date.

b. (i) If Purchaser is not ready to close title on the Closing Date, Seller shall consent to **one and only one** adjournment not exceeding fourteen (14) days, provided that a fee of $750 will be charged if Seller's attorney is not given at least 48 hours' notice of the adjournment. Purchaser may request a further adjournment of the Closing Date in writing delivered to Seller. If Seller, in its sole discretion, approves Purchaser's request to further adjourn the Closing Date, or Purchaser fails to close on the original Closing Date and Seller adjourns the Closing Date, then, in addition to any other terms of adjournment upon which the parties may agree, (i) Purchaser shall pay Seller a sum equal to 0.03% per day (but not in excess of the prevailing maximum legal rate of interest) (the "Adjournment Rate") on

the Purchase Price computed for the period from the earliest scheduled closing date designated by Seller until the adjourned closing date and (ii) all apportionments between Seller and Purchaser shall be made as of the earliest scheduled closing date.

(ii) If Purchaser shall request and Seller shall consent to additional adjournments of the Closing Date, Purchaser shall pay Seller interest at the Adjournment Rate on the Purchase Price computed for such additional adjournment periods, said payment(s) to be made on or before the commencement of such additional adjournment period(s). Purchaser's failure to pay timely the interest in accordance with this Paragraph 7 shall constitute a material default under this Agreement. Seller may, at its election, collect the interest referred to in this Paragraph at the Closing. Purchaser further agrees to reimburse Seller for any additional costs incurred by Seller as a result of such adjournments. If Seller approves Purchaser's request for an adjournment of the Closing Date as aforesaid, said approval shall not preclude Seller from thereafter canceling this Agreement if Purchaser fails to close on the adjourned Closing Date. Nothing herein shall be construed to require Seller to grant any such request of Purchaser for an adjournment of the Closing Date. Any such adjourned closing date shall be deemed the Closing Date hereunder.

c. At the Closing, Seller shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts, transferring ownership of the Unit and the undivided interest in the Common Elements appurtenant thereto to Purchaser. This deed, which is to be in the form contained in the Plan, will be executed and acknowledged by Seller and Purchaser in form for recording. It will provide Purchaser with good and marketable, fee simple title to the Unit, free and clear of all liens and encumbrances other than those set forth in Part I of the Plan, entitled "Terms of Sale".

d. To the extent required by law, Seller shall also deliver to Purchaser an affidavit that it is not a "foreign person" as required under the Internal Revenue Code of 1986, as amended (the "Code"), and Seller and Purchaser shall each execute, acknowledge and deliver to the other party such instruments as may be reasonably required to comply with Section 6045(e) of the Code, or any successor provision or any regulations promulgated thereunder,insofar as the same requires reporting of information in respect of real estate transactions.

e. Purchaser shall pay the financing and closing costs, escrows and expenses set forth in Section 18 of the Plan. Seller shall prepare and Purchaser shall execute a New York City Real Property Transfer Tax Return, New York State Form TP-584, (Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate) the New York State Real Property Transfer Report, affidavit of non-multiple dwelling, and any other documents required by the government and prepared by the Seller. Purchaser shall pay any and all taxes and filing fees due thereunder. Except as required pursuant to subparagraph (b) of this Paragraph (7), real estate taxes and assessments, Common Charges and accrued rent and other charges pursuant to an interim lease or license agreement if any, will be adjusted as of the Closing. Any errors or omissions in computing adjustments at the Closing shall be corrected. This provision shall survive delivery of the deed.

f. Purchaser shall pay the fee of his or her own attorney and Seller's counsel in accordance with Section 18 (g) of the Plan.

g. At the same time the deed is delivered to the Purchaser, the Purchaser will sign and deliver any other documents required by the Seller and/or Lender in order to comply with the conditions set forth in the Plan. (See also Paragraph 25).

h. In the event that, through no fault of the Purchaser, the closing of title does not occur by _____ ____, 202___ (which date is one year from the date that the budget is to become effective) or one year from the date of this Purchase Agreement, whichever is later, the Purchaser may cancel the Purchase Agreement, by giving notice to the Seller within five (5) days of that date, in which case, this Agreement will be deemed canceled, the deposit will be returned to the Purchaser within ten (10) days of the date of the notice, and the parties will have no further obligation to each other. (The _____ ____, 202___ date is subject to change if a Purchaser signs the Purchase Agreement after the date the plan has been amended to revise the budget date.)

8. Title Insurance

a. Purchaser may order, at Purchaser's sole cost and expense title insurance from any licensed title insurance company doing business in the State of New York. Alternatively, if Purchaser so indicates on page 23, Seller shall order, at Purchaser's expense, in accordance with the Plan, a commitment for title insurance from Excalibur Title Agency/TitleVest or anyother licensed title insurance company doing business in the State of New York as Seller shall designate. The insurance is to be effective as of the Closing Date, insuring (subject to the standard general exceptions typically set forth in such title insurance company's standard form of title policy), that the Condominium has been validly created and agreeing to insure Purchaser's good and insurable fee title in and to the Unit, free and clear of all liens and encumbrances, except the liens of the first mortgage, if any, applied for herein, and except as contemplated by this Agreement and the Plan. The delivery of a title insurance binder, related to the Closing Date, and the subsequent delivery of the title insurance policy to Purchaser as soon after the Closing as the same is issued by the title insurance company, shall be conclusive evidence of Seller's full compliance with its obligations to convey good and insurable title, subject to the terms and conditions in the Plan and this Agreement.

b. The existence of unpaid taxes or liens of any kind at the time of Closing shall not constitute an objection to title, provided Seller shall deposit a sufficient amount with Purchaser's title insurance company so that it shall be willing to insure against collection of same from the property herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in this Agreement, out of the monies to be paid by Purchaser at the time of the Closing.

9. Seller's Right to Make Changes

Seller reserves the right to make any changes in the Units, as provided in Section 10

and elsewhere in the Plan.

10. Certificate of Occupancy

If the Unit is not fully completed by the closing of title, this will not preclude a title closing, provided that a Temporary or Final Certificate of Occupancy covering the Building has been issued and sanitary facilities and water and electric service are installed. Seller shall undertake to complete within a reasonable time any item of incomplete work within the Unit that has been specified in the Inspection Statement.

11. Expenses of Closing and Closing Adjustments

The Purchaser further agrees to pay at closing of title the closing costs, escrows, expenses and fees referred to in Section 18 of the Offering Plan entitled, "Closing Costs and Adjustments". Section 18 also provides that, in the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act or Section 255 of the Tax Law, it is specifically understood that such credit shall inure to the benefit of Seller. Thus, any Purchaser who receives mortgage financing will be responsible for paying the full amount of the mortgage recording tax chargeable on the entire amount being financed. At Closing, Seller will be reimbursed by Purchaser to the extent of any mortgage recording tax credit that is allowed.

12. Purchaser's Lien

Subject to the provisions of Paragraph 5, all sums paid on account of this Agreement, and the reasonable expense of examination of the title are hereby made liens on the Unit, but such liens shall not continue after default by the Purchaser under this Agreement.

13. Purchaser's Default

Seller may cancel this Agreement if Purchaser fails to pay any portion of the Purchase Price or the Working Capital Fund deposit when due, fails to close title on the Closing Date specified by Seller pursuant to Paragraph 7 or fails to perform any of Purchaser's other obligations under this Agreement.

Seller shall send notice to Purchaser of Seller's intention to cancel this Agreement if such default is not cured within thirty (30) days. **Time is of the essence to cure such default within said thirty (30) day period**. If Purchaser shall fail to cure such default during the thirty (30) day period, Seller may, at its option, cancel this Agreement by sending notice of cancellation to Purchaser or bring an action against Purchaser for specific performance. If Seller elects to cancel this Agreement, Seller shall notify its attorneys that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement. The attorneys for Seller will then pay over to Seller as liquidated damages an amount equal to the sum of the Down Payment made by Purchaser plus interest earned on the Down Payment (the "Liquidated Sum"). The Liquidated Sum will be paid out of the escrow account, and once paid; Purchaser and Seller will be relieved

of any further liabilities or obligations under this Agreement.

If this Agreement shall be canceled by Seller pursuant to this Paragraph, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. The attorneys for Seller may rely upon the truth and accuracy of the facts contained in Seller's notification and the authority of the person or persons executing the same. The provisions contained in this Agreement for the Liquidated Sum are bona fide provisions for such, and are not a penalty. The parties understand that Seller will sustain damages by reason of the withdrawal of the Unit from sale to the general public at a time other parties would be interested in purchasing the Unit. These damages will be substantial but will not be capable of determination with mathematical precision, and, therefore, the provisions for the Liquidated Sum have been incorporated into this Agreement as a provision beneficial to both parties, as a valid pre-estimate of the damages which will otherwise flow on account of any such default by Purchaser and termination of this Agreement on account thereof.

14. Cancellation Rights

In the event of the death of any person comprising Purchaser prior to acquisition of title to the Unit, either the surviving Purchaser, the estate of the deceased Purchaser or Seller may cancel the contract and, in such case the Down Payment, plus accrued interest, if any, shall be returned to Purchaser's estate or legal representative, and thereupon all rights and obligations of both parties under this Agreement shall cease and terminate.

15. No Survival

None of the terms of this Agreement, except as otherwise herein expressly provided, shall survive the delivery to and acceptance of the deed by Purchaser.

16. Return of Down Payments

Seller's liability for failure to complete and/or to deliver title for reasons beyond the Seller's control will be limited to the return of the monies deposited under this Agreement, together with the interest earned thereon, if any, upon the return of said monies, this Agreement shall be null and void and Seller and Purchaser released from any and all liability hereunder. Seller shall not be required to bring any action or proceeding or otherwise incur any expense to render the title to the Unit or Property marketable or to cure any objection to title, but Purchaser may accept such title as Seller is able to give without reduction or abatement of the Purchase Price.

17. No Occupancy Prior to Closing

a. The Purchaser will not be entitled to take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with terms of this Agreement.

b. If the Unit is damaged prior to Closing and the Seller notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement will be canceled and of no further force and effect. Any monies previously paid by Purchaser under this Agreement and the Plan will be returned to the Purchaser. The parties shall then be released and discharged from all obligations and liability, except that if the Purchaser is in default hereunder (beyond any applicable grace period), Seller shall retain the Liquidated Sum pursuant to Paragraph 13 above.

18. The Unit

Purchaser agrees to use the Unit as provided in the Plan and the Declaration and By-Laws.

19. Agreement shall not be Recorded

Purchaser further agrees that this Agreement shall not be recorded, and any attempt to do so shall be a material default by Purchaser under this Agreement.

20. Priority of Mortgage Lien

a. Except for the lien described in Paragraphs 5 and 12, no encumbrance shall arise against the Unit as a result of this Agreement or any monies deposited hereunder. In addition, this Agreement is and will be subject and subordinate to the lien of any mortgage (including, but not limited to, any building loan mortgage) heretofore or hereafter made and to any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination applies to voluntary or involuntary advances whether or not they are made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of Lender's right to make advances before they become due in accordance with the schedule of payments.

b. Seller will, at its option, either satisfy such mortgage or obtain a release of the Unit from the lien of such mortgage on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Condominium, or portions thereof, other than the Unit, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all his other obligations under the Agreement. It will also not be the basis of any claim against or liability of Seller, provided that any such mortgage is subordinate to the Declaration and the Unit is released from the lien of such mortgage.

c. The only mortgage(s) to which the Unit will be subject on the Closing Date will be the mortgage(s) obtained by Purchaser to purchase the Unit. This Agreement and

all rights hereunder are and shall be subject and subordinate to the lien of such mortgage(s) and accompanying documents to be executed by Purchaser to Lender, if applicable; and to any and all modifications, extensions and renewals thereof; and to any mortgage made in their place.

21. Risk of Loss

a. The risk of loss or damage to the Unit by fire or any other casualty is assumed by Seller until the Closing at which time Purchaser shall assume the risk of loss. If there is a casualty, Seller does not have any obligation or liability to repair or restore the Unit. If Seller elects to repair or restore the Unit, Seller must notify Purchaser within thirty (30) days and this Agreement shall continue in full force and effect and Purchaser shall not have the right to reject title or receive a credit against or abatement in the Purchase Price. In such event, Seller shall have a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the right of the Board of Managers and the owners of other Units, if the Declaration has theretofore been recorded, belong entirely to Seller, and if such proceeds are paid to Purchaser, Purchaser shall promptly turn over the full amount to Seller. The provisions of the preceding sentence shall survive the Closing.

b. If Seller notifies Purchaser that it does not elect to repair or restore the Unit or, if the Declaration has been previously recorded, such repairs or restoration are not made pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect. In such event, Seller shall return to Purchaser all sums deposited hereunder and under the Plan (plus accrued interest, if any) within fifteen (15) days, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any) Seller shall retain all such sums, together with any interest earned thereon, as and for Liquidated Damages.

22. Broker

Purchaser and Seller represent to each other that neither has dealt with a broker in connection with this transaction, except for the Selling Agent and any additional broker named on the first page of this Agreement, and Seller agrees to pay the commission earned by the brokers pursuant to a separate agreement. Purchaser agrees to indemnify and hold Seller harmless from all claims, liabilities, damage and costs (including attorney's fees) arising from the claims of any other broker with whom Purchaser may have dealt. The provisions of these Paragraphs shall survive the Closing.

23. Agreement Subject to Plan Becoming Effective

The performance by Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior or,

under certain circumstances, subsequent to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan. If the Plan is abandoned or does not become effective, or shall not be consummated for any reason after being declared effective within the time prescribed in this Plan, this Agreement will be deemed canceled and the Plan terminated. If so canceled and if Purchaser is not in default under this Agreement beyond any applicable grace period, then not later than forty-five (45) days thereafter, Purchaser shall receive a refund in full of all monies paid by Purchaser (except for any rent paid under an Interim Lease), plus accrued interest, if any. Upon such repayment, neither party shall have any claims against the other and both shall be released from all obligations and liabilities hereunder.

24. Smoking Policy

Smoking is not allowed in the following locations: (a) outdoor common areas, including play areas, shared balconies, rooftops, courtyards, patios, porches, or yards; (b) outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds; and (c) indoor common areas including the lobby/reception area. Smoking is allowed in the following locations: (a) inside the residential units; (b) outside spaces that are a part of the residential units, including balconies, terraces, or any outdoor areas connected to a Purchaser's individual Unit, subject to the Condominium's Smoking Policy.

25. Power of Attorney to Board of Managers and Seller

At Closing of title, and delivery of the deed to the Unit, Purchaser shall execute, acknowledge and deliver to Seller a Power of Attorney substantially in the form set forth in the Plan as Exhibit B.

26. Further Acts

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

27. No Assignment of Agreement

The Purchaser agrees that Purchaser will not assign this Agreement or any of Purchaser's rights hereunder, without the prior written consent of Seller. Any purported assignment of this Agreement shall be null and void at the option of the Seller. If Seller, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Seller's attorneys a fee for the preparation of an assignment agreement. Any conflict between the Plan and Purchase Agreement will be resolved in favor of the Plan.

28. Successors and Assigns

Except for the reimbursement of the Down Payment, the provisions of this Agreement shall not bind and enure to the benefit of Purchaser's heirs, legal representatives, successors and assigns. This Agreement shall bind and enure to the benefit of Seller and its successors and assigns.

29. No Representations

Purchaser acknowledges that the information he has relied upon in making his decision to sign this Agreement is solely that contained in this Agreement and the Plan. He has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, whether made by Seller, Owner, any real estate broker or Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Unit, Building or Condominium; the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided Unit Owners, and/or the estimated dates by which such services will be available to Unit Owners, the estimated dates of completion of the Unit; the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser and/or any representations concerning or relating to the number or percentage of total Units of the Condominium that have been contracted for by other purchasers prior to Purchaser's execution of this Agreement or the number of Units which have been sold. Purchaser also acknowledges that the sales office and/or a model apartment may be designed or decorated with items that are not included in the sale of the Unit. No Person has been authorized to make any representations on behalf of Seller, except as herein or in the Plan specifically set forth, and no oral representations shall be considered a part of this Agreement. Purchaser expressly agrees that he will not be relieved from his obligations hereunder by reason of any minor inaccuracy or error. If the layout or dimensions of the Unit or any part thereof or Common Elements or any part thereof as shown on the Floor Plans or working drawings or described in the specifications are not accurate or correct, as compared to the description in the Plan, Seller will not be liable or responsible to Purchaser if such layout conforms substantially to the plans and specifications for the Unit and the site plan, and the square foot area of any room in the Unit is reduced by only a minor amount.

30. Notices

Any notice, request or other communication to be given pursuant to this Agreement shall be in writing and sent by registered or certified mail, return receipt requested, to Purchaser at the address given above and to Purchaser's attorney and to Seller c/o Astral Weeks, 175 Great Neck Road, Suite 407, Great Neck, NY 11021 with a copy given simultaneously to Seller's attorneys, Getler, Gomes & Sutton, PC, 2 Executive Boulevard, Suite 410, Suffern, New York 10901 or at such other address as any party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that

the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either party receives from the other party's attorneys shall be deemed to be notice from such party.

31. Warranties

SELLER MAKES NO WARRANTY OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT OR THE UNIT COVERED HEREBY AND ALL SUCH WARRANTIES ARE EXCLUDED, EXCEPT AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT AS RIDER D. THE TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED IN THIS AGREEMENT, AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. PURCHASER HEREBY ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE ANNEXED LIMITED WARRANTY HAS BEEN PROVIDED BY THE SELLER TO PURCHASER FOR EXAMINATION, AND PURCHASER HAS BEEN AFFORDED SUFFICIENT TIME TO EXAMINE SAID LIMITED WARRANTY PRIOR TO PURCHASER'S EXECUTION OF THIS AGREEMENT. PURCHASER UNDERSTANDS AND ACCEPTS THE WARRANTY ANNEXED TO THIS AGREEMENT IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTIES IN CONNECTION WITH THIS TRANSACTION. THE WARRANTY ANNEXED TO THIS AGREEMENT WILL BE FULLY EFFECTIVE WITHOUT THE EXECUTION OF ANY OTHER DOCUMENT BY EITHER PURCHASER OR THE SELLER ON THE DATE THAT PURCHASER OR PURCHASER'S FAMILY SHALL FIRST OCCUPY THE UNIT WHICH IS THE SUBJECT OF THIS AGREEMENT AS A RESIDENTIAL APARTMENT OR THE DATE THAT THE DEED IS DELIVERED TO PURCHASER, WHICHEVER OCCURS FIRST.

Seller will deliver to Purchaser such warranties and certificates in its possession covering any kitchen appliances or equipment that are included in the sale.

Except as provided herein and in the Plan, the Seller shall not be liable to the Board of Managers or to the Purchaser for any manner as to which an assignable warranty, guaranty or bond has been assigned to such Board of Managers or to the Purchaser. The provisions of this Paragraph shall survive the Closing.

32. Equipment and Furnishings

Seller will provide Purchaser only with the fixtures, equipment, hardware and appliances referred to in the Plan, which are included in the Purchase Price of the Unit. Furnishings, furniture, built-ins, equipment, appliances, decorations, wallpaper, electrical outlets or decorative electrical fixtures, fixtures and other items exhibited in any model unit or sales office but not referred to in the Plan are for display purposes only and are excluded from this sale.

33. Acceptance of Condition of the Unit

a. Purchaser will examine his Unit with a representative of Seller during normal business hours within five (5) days prior to the Closing and will sign and deliver to Seller on or before the Closing an Inspection Statement (substantially in the form annexed hereto as Rider 1) acknowledging the condition in which he has received his Unit. For safety reasons, the Unit may be inspected by Purchaser and/or one other person designated by the Purchaser. Any work remaining to be done within the Unit pursuant to the Plan and/or this Agreement and only such work shall be itemized in reasonable detail on the Inspection Statement. Seller shall be obligated to complete the items on the Inspection Statement within a reasonable time after the Closing Date. If the Seller agrees in writing to complete any items on the Inspection Statement prior to the Closing Date, Purchaser must re-inspect the Unit on the day prior to the Closing Date to inspect and sign off on all items that the Seller was to have completed within the Unit by said date. Purchaser agrees that no discussion of incomplete items will take place at the Closing.

b. If, on the date of signing of this Purchase Agreement, a Temporary or Final Certificate of Occupancy shall have been issued covering the Building (or the Units), Purchaser agrees that his execution of this Agreement shall be deemed a representation to Seller that he has examined the Unit and shall constitute acceptance of the Unit and the Building and all fixtures, machinery, equipment, appliances, installations and other personal property contained therein, in their condition on the date of this Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of this Agreement and the Closing Date and subject to the provisions of Paragraph 31 and the items specified on Purchaser's completed Inspection Statement.

c. Purchaser's failure to inspect the Unit prior to the Closing and to re-inspect, if necessary, on the day preceding the Closing, or to complete, sign and deliver the Inspection Statement, shall not excuse Purchaser from paying the Balance Due at Closing and shall constitute Purchaser's full and unconditional acceptance of the Unit.

d. If requested by Seller, at the time of Purchaser's pre-closing inspection, Purchaser shall complete and deliver to Seller or its representative an application to transfer the account for electric and/or utility service to Purchaser's name.

e. The acceptance of delivery of the deed by the Purchaser at the Closing shall constitute full compliance with the terms of this Agreement except for completion of the items specifically noted in the Inspection Statement. Except as expressly provided in this Agreement or the Plan, including, but not limited to "Section 19. Rights and Obligations of the Sponsor", Seller shall not be obligated to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property. Seller will not be obligated to correct, and will not be liable to the Board or any Unit Owner as a result of defects in construction or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as specifically set forth in the aforesaid Section of the Plan. The provisions of this Section shall survive the Closing.

34. Attorneys

Purchaser understands that the attorney representing Seller or any lender represents such parties only and not Purchaser. Nevertheless, Purchaser shall be obligated to pay the fees and disbursements of Seller's counsel pertaining to the purchase of the Unit by Purchaser. Purchaser acknowledges that he has been advised by Seller that he should retain independent counsel of Purchaser's selection. Purchaser further understands that Getler, Gomes & Sutton, PC may represent Seller as its counsel in any action, suit or other proceeding between Seller and Purchaser, or in which Seller and Purchaser may be involved.

35. Definitions

The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan. If two or more persons are named as Purchaser therein, any one of them is hereby made agent for the other in all matters of any and every kind or nature affecting the Unit or this Agreement.

36. Certain References

The use of the masculine gender in this Agreement shall be deemed to refer to the feminine (or neuter) gender whenever the context so requires. The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used.

37. Amendment of Purchase Agreement

This Agreement may not be amended, altered or discharged, except by an agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

38. Governing Law and Waiver

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement does not and may not contain, or be modified to contain, aprovision waiving Purchaser's rights or abrogating Seller's obligations under the Offering Plan or under Article 23-A of the General Business Law. Any provision of any agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in this Purchase Agreement.

39. Plan Governs

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

40. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against any Person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provisions to other Persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise provided, shall be valid and enforced to the fullest extent permitted by Law.

41. Strict Compliance

Any failure by Seller to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Seller, notwithstanding any such failure shall have the right to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

42. Waiver of Jury Trial

Except as prohibited by law, the parties expressly waive trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, or move to consolidate such claim with, any action or proceeding in which a jury trial is waived. This provision shall survive the Closing or termination of this Agreement.

43. Waiver of Diplomatic or Sovereign Immunity

OMIT IF PURCHASER IS NOT A FOREIGN GOVERNMENT, A RESIDENT REPRESENTATIVE OF A FOREIGN GOVERNMENT OR SUCH OTHER PERSON OR ENTITY OTHERWISE ENTITLED TO THE IMMUNITIES FROM SUIT ENJOYED BY A FOREIGN GOVERNMENT (I.E. DIPLOMATIC OR SOVEREIGN IMMUNITY).

a. Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Seller or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

b. As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person or Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

c. Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

d. Purchaser agrees to execute, deliver and file all such further instruments as maybe necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Paragraph 43.

e. Nothing in this Paragraph 43 shall affect the right of Seller to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

f. The provisions of this Paragraph 43 shall survive the Closing for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

g. Purchaser hereby designates Joseph Roubeni c/o Astral Weeks having its offices at 175 Great Neck Road, Suite 407, Great Neck, New York, 11021, as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

h. If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U. S. C. 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Seller. Seller shall

not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

i. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By- Laws.

44. Costs of Enforcing and Defending Agreement

Purchaser shall be obligated to reimburse Seller for any legal fees and disbursements incurred by Seller in defending Seller's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in cancelling this Agreement or otherwise enforcing Purchaser's obligations thereunder. Purchaser will be responsible for the Sponsor's legal fees and disbursements regardless of whether or not the Sponsor is the prevailing party in the litigation.

45. Prohibition Against Advertising

Prior to the Closing of title, Purchaser shall not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability for sale or lease, without Seller's written consent for a period of 12 months, which consent may be conditioned, or delayed in Sponsor's sole and absolute discretion. A violation of this provision will be deemed a default under the terms of the Purchase Agreement and thereby entitle Seller to all remedies provided thereunder.

46. Entire Agreement

All prior understandings and agreements between or among the parties are merged in this Agreement. It completely expresses their full agreement. It has been entered into after full investigation, neither party relying upon any statement made by anyone that is not set forth in this Agreement.

47. Captions and Rules of Construction

The captions in this Agreement are for convenience and reference only, and in no way define, limit or describe the scope or intent of this Agreement or the intent of any provision hereof. There shall be no presumption against the draftsman of this Agreement.

48. Binding Effect

This Agreement will not be binding on Seller until a fully executed copy hereof, executed by the Seller has been furnished to Purchaser. If this Agreement is not accepted within thirty (30) days from the date on Page 1 by Seller's returning a fully executed counterpart, then this Agreement will be deemed rejected and canceled. The Down Payment paid on the signing will be promptly returned to Purchaser without interest thereon.

49. No Additional Work

Seller does not intend to and is not obligated to do any additional work in the Unit.

50. Miscellaneous

Electronic, facsimile or e-mailed signatures shall be deemed original signatures for the purposes hereof, provided that the party providing such electronic, facsimile or e-mailed signature shall deliver an original counterpart of such signature to the other party within three (3) business days thereafter. This Agreement may be executed in separate counterparts, and all of the original (and/or deemed original) signature pages of such counterparts, when taken together with one (1) counterpart of this Agreement, shall be deemed to constitute a full and complete original counterpart of this Agreement.

[continued on the following page]

The Seller, Purchaser and Escrow Agent have signed this Agreement on the day and year first above written.

SELLER:
68 Commercial Street LLC
New York limited liability company

By:_____
Name:
Title: Authorized Signatory

ESCROW AGENT:
Getler, Gomes & Sutton, PC

By: _____
Janine A. Getler, Esq.

PURCHASER:

_____
EID/SS Number: _____

_____

EID/SS Number: _____

PURCHASER'S ATTORNEY:
Name:_____
Address:_____
_____

Tel. No.:_____
Fax No. :_____
Email: _____

- ❑ Consent is hereby given for Seller to order title insurance, at Purchaser's expense, asprovided in Paragraph 8(a) of the Purchase Agreement.

EXHIBIT B: POWER OF ATTORNEY

POWER OF ATTORNEY

The undersigned, _____, having an address at _____ _____, the owner(s) of Condominium Unit ___ in the Condominium known as 68 Commercial Street Condominium and also designated, respectively, as Tax Lot 16 in Block 2482 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York, covering the property located in the County of New York, State of New York, does (do) hereby irrevocably nominate, constitute and appoint the members of the Board of Managers of 68 Commercial Street Condominium and their successors, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own name or in the name of their designee, on behalf of all Owners of Condominium Units in said Property in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect,

(1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interest, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interest, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, with its Appurtenant Interest, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present,

(2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate, and

(3) to execute, acknowledge and deliver any declaration or other instrument affecting the Common Elements, which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Common Elements which the Board deems necessary or appropriate.

The undersigned does (do) hereby further irrevocably nominate, constitute and appoint 68 Commercial Street LLC, and its successors, as true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to vote in my (our) name and on my (our) behalf at any Unit Owners' meeting for, and to file an amendment to the Declaration, By-Laws and Rules and Regulations of the Condominium (a) to reflect any change in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by the Declarant in accordance with the Declaration or (b) required by an Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, any governmental agency having regulatory jurisdiction over the Condominium or any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant hereto shall not (i) change the Common Interest of the undersigned's Unit(s), (ii) require a material or physical modification to the undersigned's' Unit, or (iii) adversely affect the priority or the validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit, unless the undersigned or the holder of such mortgage, as the case may be, shall consent thereto by joining in the execution of such amendment or (c) to carry out any of the provisions of the Offering Plan of such Condominium.

Terms used in this Power of Attorney, which are used in the Declaration submitted by 68 Commercial Street LLC, establishing a Plan for Condominium Ownership of the Condominium known as 68 Commercial Street Condominium under the Condominium Act (the "Declaration"), dated _____ and recorded in the Register's Office on _____ as Document No. ____, together with the Exhibits attached thereto, shall have the same meanings in this Power of Attorney as in the Declaration.

The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has (have) executed this Power of Attorney as of this ___ day of _____, 202___.

_____

_____

STATE OF NEW YORK)
) ss. :
COUNTY OF)

On this _____ day of _____, 202___, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity(ies), and that by his/her signature on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT C: UNIT DEED

UNIT DEED

THIS INDENTURE, made the _____ day of _____,_____, between 68 Commercial Street, LLC having an office at 515 Rockaway Avenue, Valley Stream, New York 11581 ("Grantor")and _____having an address at _____ ("Grantee").

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors andassigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ___ in the building ("Building") known as the 68 Commercial Street Condominium ("Condominium") and by the street number 68 Commercial Street, Borough of Brooklyn, County of Kings, City and State of New York, said Unit being designated anddescribed by the above Unit number in a certain declaration dated _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (whichLand is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof),which declaration was recorded in the Office of the Register of The City of New York of the County of Kings ("Register's Office") on _____, as CRFN#_____ ("Declaration"). The Unit is also designated as Tax Lot ____ in Block 2482 of the Borough of Brooklyn on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings of the Building, certified by Orville Hayles, Architect, on _____, and filed with the Department of Finance of The City of New Yorkon _____ as Condominium Plan No. _____ and also filed in the Register's Office on _____, as Condominium Map No. _____;

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

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

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amendedfrom time to time, all of which constitute covenants running with the Land and shall bind any person havingat any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Buildingare, collectively, referred to as the "Property").

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declarationor the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if anyprovision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the CondominiumAct, the applicable provisions of the Declaration shall control.
Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed datedNovember 9, 2021 and recorded in the Register's office on November 26, 2021 as CRFN 2021000466342.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive suchconsideration as a trust fund for the purpose of paying the cost of the improvement and will apply the samefirst to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any ResidentialRules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisionsthereof.

This conveyance is made in the regular course of business actually conducted by the Grantor. The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meaningsgiven to those terms in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of theday and year first above written.

GRANTOR:

68 COMMERCIAL STREET, LLC,
A New York Limited Liability Company

By:_____
Name:
Title: Authorized Signatory

_____
,Grantee

_____
,Grantor

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed 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 upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed 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 upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed 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 upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A

TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

68 Commercial Street Condominium

68 Commercial Street New York, New York 11222

Block: 2482

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows: [See the Schedule A - Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

EXHIBIT D: DESCRIPTION OF PROPERTY

ARCHITECT'S REPORT

THE 68 COMMERCIAL STREET CONDOMINUM



Prepared By:

ORVILLE HAYLES, ARCHITECT
990 PRESIDENT STREET, 1H
BROOKLYN, NY 11225

December 1st, 2023

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 68 Commercial Street, in the Greenpoint Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11222.

(2) Block and lot number:

The site is located on Tax Lot number 16 in Tax Block number 2482.

(3) Zoning:

The site is located in a M1-2 / R6 & MX8 Zone as designated on Map number 12c of the N.Y. City Zoning Resolution.

The site is being developed pursuant to the Quality Housing requirements of the current New York City Zoning Resolution.

The building will comply with; on site planted area and laundry facilities as required by Section 28 of the N.Y. City Zoning Resolution. The building plans were examined and have been approved by the N.Y. City Department of Buildings, for compliance with the Quality Housing Zoning requirements.

The planted yard area will be located at the front of the building at grade level. Each residential unit will have its own laundry closet within the unit.

The building and units have been designed within the requirements of all applicable Federal, State and N.Y. City Building Code and Regulations governing accessibility to the disabled, including the ADAAG Standard and Local Law 58-87. Residential Unit 1, located at the first and second floors has been designed to be accessible as both floors area accessible by an elevator.

(4) Permissible Use:

The Zone permits Residential use as of right.

The property and proposed uses will comply with all Zoning and use requirements at closing.

(b) <u>STATUS OF CONSTRUCTION</u>

(1) Year built:

The building will be new and is currently under construction. The initial permit for the start of General Construction was issued on December 29th, 2022 by the N.Y. City Department of Buildings.

The estimated substantial, completion date of the building is June 2024.

(2) Class of construction:

The Class of Construction will be I B as described by Table 601 of the 2014 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of two hours. Floor / ceiling assemblies shall also be of non-combustible materials with a minimum rating of two hours. Roof / ceiling assemblies shall be of non-combustible materials with a minimum rating of one hour. Exterior walls shall also be of non-combustible materials with a minimum fire rating of two hours.

The building plans were developed pursuant to the 2014 New York City Building Code.

(3) Certificate of Occupancy, type and number:

The building is under construction and a final Certificate of Occupancy will be issued when all the required work is inspected and signed off by the New York City, Department of Buildings.

The Sponsor shall obtain a temporary or final Certificate of Occupancy prior to the closing of the first unit.

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number B00712301.

The building plans were not Self certified by the Applicant of Record.

Permit numbers B00712301-S5-SE and B00712301-I1-GC have been issued by the N.Y. City Department of Buildings for the construction of the new building.

The Sponsor has not retained the Architect responsible for this Report to conduct "Special Inspections" on the project.

(c) <u>SITE</u>

(1) Size:

The site is located on the Southeasterly side of Commercial Street.

The site is irregular in shape and has a frontage of 30.0 feet along Commercial Street. The Easterly, side lot line, extends 83.44 feet and the Westerly side lot line extends 75.83 feet perpendicularly from Commercial Street property line.

The site has an area of approximately 2,389 square feet.

(2) Number of buildings and use:

There will be one, five story building, constructed with Residential and accessory uses.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. Commercial Street is an existing seventy (70.00') foot wide, two way street.

There is an existing concrete sidewalk fronting the property. The existing concrete sidewalk will be replaced with a new concrete sidewalk, as is required for all new buildings, when construction is near completion.

The new sidewalks fronting the property shall be free of tripping hazards and ponding. The new sidewalks shall be ADA compliant and shall be replaced as directed by the N.Y. City Department of Transportation.

The roadways are asphalt paved. The roadways fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion.

(ii) Curbing (material and condition);

There is an existing, steel faced concrete curb fronting the property. The existing concrete curb will be replaced with a new concrete curb, as is required for all new buildings, when construction is near completion.

The new curbs, curb cuts, ramps and aprons shall be ADA compliant and shall be replaced as directed by the N.Y. City Department of Transportation.

(iii) Catch Basins (location and condition);

Existing catch basins are located along the roadways to drain the sidewalk and roadway's storm water run-off, into the existing New York City Sewer System.

The existing catch basins have been installed by the N.Y. City Department of Transportation and are in good condition. Catch basins are constructed of concrete with steel grating covers and are located along Commercial Street.

(iv) Street lighting (material, type, location and condition);

Existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions surmounted with energy efficient LED lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along Commercial Street. The existing street lights are in good condition.

(v) Conformity with Municipal Codes;

The sidewalk paving, curb, curb cuts, ramps and aprons shall be ADA compliant. In addition catch basins and street lighting have been designed to comply with the standards of; the N.Y. City Department of Transportation, the N.Y. City Department of Buildings and to the N.Y. City Building Code as necessary.

A Builders Paving Plan was filed with and approved by the N.Y. City Department of Buildings, under application number 340855015, for the construction of the new sidewalk, curb and roadway repair.

The Condominium Board will be responsible for maintaining the sidewalk in front of the property as per the N.Y. City Department of Transportation requirements.

The new sidewalk paving and curb will be subject to site inspection and approval by the N.Y. City Department of Buildings and the N.Y City Department of Transportation.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be a no paved driveways or ramps on the site.

(ii) Curbing (material and condition);

There will be no curbs on the property.

(iii) Catch Basins drainage (location and condition);

There will be no catch basins on the property. There will be controlled flow, cast iron, area drains located at the roof and yard areas of the building, which will drain the storm water runoff from the site to the existing 12" combined sewer beneath the roadway of Commercial Street.

(iv) Street lighting (material, type, location and condition);

There will be no streets or street lighting on the property.

(v) Conformity with municipal codes;

All paving and drainage devices will be designed to conform to the standards of the N.Y. City Department of Buildings and the N.Y. City Building Code and will be subject to approval and inspection by the Department of Buildings.

(d) UTILITIES

Water, will be provided by the City of New York, and water consumption will be a common charge.

Natural **Gas,** will not be supplied to the building.

Electricity, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

Telephone service, will be provided by Verizon, and each unit will be billed directly.

The entire **Sanitary** waste, will be carried from the building into the existing New York City Sewer System.

The **Storm** water runoff will transported to the existing N.Y. City Sewer System by means of controlled flow roof and yard drains.

The cost of services of the common areas will be a common charge borne by the Condominium Board.

(e) SUB-SOIL CONDITIONS

The site is located within FEMA Map panel Number 3604970202F (2007) 3604970202G (2013) in shaded Zone X. The map indicates that the site is located in an area determined to be an area of 0.2% annual chance flood; of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile; and areas protected by levees from 1% annual chance flood.

There is no evidence that the property has flooded in the last ten years.

There is no base flood elevation required for the site as indicated on the FEMA map panel.

The soil at the bottom of the mat slab foundation will be Type 7 soil, as per subsurface test borings which were performed by Mueser Rutledge Consulting Engineers, 225 West 34th Street, New York, NY 10122. The existing soil has a poor load bearing capacity and ground water was encountered at approximately six feet below the normal grade level of the site.

The foundations, pile and pile caps will be new. There will be a 24 inch thick, poured reinforced, mat, concrete slab at the first floor supported on caisson piles with reinforced concrete pile caps. The mat concrete foundation and piles will support perimeter, reinforced columns and, and reinforced concrete bearing walls forming the stair and elevator core.

There will be no below grade cellar level or crawlspace.

The building's foundation and structural system was calculated and designed by a N.Y. State licensed Structural Engineer and the plans have been approved by the N.Y. City Department of Buildings.

There are no environmental site issues (such as hazardous materials, environmental restrictions, little E, RD and / or easements) present on the property.

(1) Uneven foundation movement (cracking, mortar joint decay, etc.);

There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(2) Evidence of (moisture or seepage or ground water infiltration; corrective action needed);

There is no apparent evidence of moisture, seepage or ground water infiltration.

(3) Danger from (flooding due to water table or overflow from other bodies of water, potential for mudslides or erosion);

There is currently no apparent danger from flooding due to a water table or overflow from other bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from surrounding properties.

(f) LANDSCAPING AND ENCLOSURES

(1) Grass cover (type, location);

There will be a grass area at the yard area to the front of the property.

(2) Plantings (type, location);

There will also be some shrubs planted at grass areas, at grade level to the rear of the building.

(3) Trees (type, location);

There will be one new tree, with a minimum caliper of three inches, planted at the sidewalk area, close to the curb, in front of the property, as required by the N.Y. City Zoning Resolution. The tree shall be of a species to be determined by the N.Y. City Department of Parks & Recreation. Approval shall be obtained from the Department of Parks and Recreation prior to the installation of the trees.

(4) Fencing (type, location);

There will be a new, six foot high, wood fence, constructed along the property lines at the rear of the building.

(5) Gates (type, location);

There will be no gates constructed on the property.

(6) Garden walls (type, location);

There will be no garden walls at the open yard areas.

(7) Retaining walls (type, location);

There will be no retaining walls constructed on the property.

(8) Display pools and fountains (type, location);

There will be no display pools or fountains at the open yard areas.

(g) BUILDING SIZE

(1) Total height (approximate total feet from ground level to highest part of roof);

The building will be a total height of approximately sixty six feet, measured from the average grade to the finished roof above the fifth floor level.

(2) Crawl spaces (floor to ceiling, height);

There will be no crawl spaces in the building.

(3) Number of sub-cellars and cellars;

There will be no cellar or sub-cellar level in the building.

(4) Number of floors (actual including penthouses);

The building will consist of five floors.

(5) Equipment rooms (location and use);

There will be sprinkler equipment and meter rooms located at the first floor level towards the front of the building. The hot water heaters are located in the sprinkler equipment room.

There will also be laundry / mechanical closets within each residential unit.

The heat pump / condensers for the heating and cooling system will be located at the roof above the stair bulkhead.

(6) Parapet (height above roof);

There will be parapet walls; of masonry construction with brick and stucco finishes and also tempered, safety glass railings set in extruded aluminum framing at the perimeter of roof terrace areas. All parapet walls and safety railings will be a minimum height of three feet and six inches above finished roof levels.

(h) STRUCTURAL SYSTEM

The structural system for the building will be mainly a flat slab construction. There will be an eight inch thick poured, reinforced concrete slab on each floor, supported with perimeter reinforced, concrete columns. There will also be intermediate, poured, reinforced concrete bearing walls framing the stair and elevator cores.

There will be no underpinning of adjacent buildings.

There is no base flood elevation or flood protection required for the site.

The floor at the first floor level shall be a 24" thick, poured, reinforced, concrete slab on a minimum six mil vapor barrier and gravel and compacted fill. The slab will be supported on piles and concrete pile caps. The foundation slab and pile caps at the perimeter walls shall be protected with troweled on mastic waterproofing and adjacent gravel, fill to allow drainage, away from the walls and footings. There will be no other sub-grade, drainage system.

The structural, interior floor assembly at the upper floors and also at the roof areas shall be a 8" thick poured, reinforced concrete, flat slab which will be supported by the reinforced concrete columns and the intermediate, load bearing, reinforced concrete walls.

The finished roof areas shall be a rubberoid type roofing system as manufactured by Firestone on exterior grade rigid insulation. The roof areas shall be of masonry pavers and tiles supported on polyurethane, adjustable, leveling pedestals.

Floor / ceiling and roof / ceiling assemblies, shall have a minimum STC rating of 50 and a minimum IIC rating of 50, in compliance with the 2014 N.Y. City Building Code. Floors shall be of ¾" thick wood strips on ½ thick plywood. Ceilings shall be of a minimum ½" thick gypsum wallboards attached to the concrete slabs with resilient, steel furring channels.

The structural system has been designed by a N.Y. State licensed Structural Engineer and has been designed to withstand lateral forces due to wind, soil and earthquake in compliance with the N.Y. City Building Code.

The construction class of the building shall be Construction Class I B as per the 2014 N.Y. City Building Code.

(1) Exterior of Building:

(i) Walls;

The exterior walls, located at the front façade of the building will be a brick veneer finish with a rigid insulation and 5/8 inch densglass, supported by load bearing steel stud walls and the reinforced concrete framing. The spaces between the steel studs shall be finished with batt insulation with a minimum R value of 21. The interior surfaces of the steel studs shall be finished with two layers of Type X gypsum wallboards.

The exterior walls at the rear façade shall be a minimum one inch, stucco finish on three inch rigid insulation and 5/8 inch densglass supported by a load bearing steel stud walls and the reinforced concrete framing. The spaces between the steel studs shall be finished with batt insulation with a minimum R value of 21. The interior surfaces of the steel studs shall be finished with two layers of Type X gypsum wallboards.

The exterior walls at the side lot lines shall be finished with a minimum one inch stucco finish on three inches of exterior grade rigid insulation. The stucco panels shall be supported by 8 inch load bearing masonry blocks supported by the reinforced concrete structural frame. The interior surface of the masonry walls shall be finished with 1 ½ inches of rigid insulation and 5/8 inches of gypsum wallboards.

Each exterior wall composition has a minimum fire resistance rating of 2 hours and a U value of 0.49. The exterior walls have been designed to comply with the requirements of the 2014 N.Y. City Building Code and the 2016 N.Y. City Energy Conservation Code and the New York State Energy Conservation Construction Code.

The building will not be greater than six stories in height and therefore will not have to comply with Local Law 11 of 1998 which requires periodic facade inspections once construction has been completed.

(ii) Windows;

Windows are to be new, double-glazed windows. Windows will be mainly of the awning and fixed types, Architect Series, as manufactured by Pella. Glazing shall be set in extruded aluminum frames with anodized exterior finish. Windows will have an approximate U value of 0.27 and will be constructed with polyurethane, thermal breaks

The perimeter of window openings shall be fitted with a latex-based, caulking compound at interior and exterior surfaces. The perimeter of window openings shall be protected with aluminum flashing.

Air infiltration rate of windows shall be in compliance with the New York State Energy Conservation Construction Code and the New York City Energy Conservation Code.

There will be no lot line windows located at the side lot line walls of the building.

The Sponsor reserves the right to provide curtain walls and windows by different manufacturers which are equal to or better than noted above.

Window sills shall be constructed of brick or stucco. Lintels above window openings shall be of steel fabrication protected with wire lath and stucco.

Window guards shall be installed as necessary by each unit's owner. Aluminum window guards shall be installed by each residential unit's owner at the windows within each unit that a child of ten years old or younger will reside.

There will be no window screens provided at the operable windows.

(iii) Landmark Status;

The building is currently not located in a Landmarks area, nor will the building be designated Landmark Status.

(2) Parapets and Copings:

There will be parapet walls at the perimeter of the roof areas of the building, at a minimum height of three feet and six inches above the finished level of the roof. The parapet walls shall be constructed of load bearing, steel stud walls with a brick or stucco finish at the exterior surfaces. The interior surfaces of the parapet wall will also be finished mainly with stucco. All parapet walls shall be fitted with stainless steel fabric, base and cap flashing. Parapet walls shall be capped with aluminum copings, which shall be anchored to the masonry walls with non corrosive fasteners. All other fasteners and bolts shall be of corrosion resistant metals.

(3) Chimneys and Caps:

There will be vertical, stainless steel, flues and caps provided, for the ventilation of any gas fired mechanical equipment if required. The flues will terminate at the roof area above the fifth floor level. The flues shall be Amerivent, double-wall, galvanized steel and aluminum flues, as manufactured by American metal Products and shall have a B.S.A. approval number (294-56 SM).

The Sponsor reserves the right to provide flues by a different manufacturer which are equal to or better than noted above.

(4) Balconies and Terraces:

There will be exterior terraces located at the roof areas above the second, fourth and fifth floor levels of the building.

(i) Deck Finish;

The roof areas shall be finished with a multi ply rubberoid, roofing finish, on rigid insulation supported on the poured, reinforced concreted slab. The roof terrace areas shall be finished with masonry pavers supported on polyurethane, adjustable, leveling pedestals above the rubberoid roofing finish.

(ii) Balustrade;

There will be no balustrades at the balcony areas.

(iii) Railings;

The roof terrace area above the second floor, shall be protected at the perimeter with a minimum ¼" thick, tempered, safety glass railing, set in extruded aluminum frames on all sides. The guardrails shall be a minimum height of three feet and six inches (3'-6") above the finished balcony level. Roof terraces above the fourth and fifth floor levels shall be protected at the perimeter with load-bearing, steel stud parapet walls with brick veneer and stucco at the exterior surfaces and with stucco at the inside surfaces.

All parapet walls and guardrails shall be a minimum height of three feet and six inches (3'-6") above the finished roof level. The maximum spacing between the components of the guardrails shall be approximately four inches (4") as required by the N.Y. City Building Code. All exterior metals, including fasteners, shall be of corrosion resistant materials.

(iv) Coping;

Solid parapet walls at terraces shall be capped with aluminum coping, which shall be anchored to load bearing, steel stud walls with non-corrosive metal fasteners.

(v) Soffits;

The soffit areas of cantilevered terrace areas shall be finished with stucco.

(vi) Doors to balconies and terraces;

The doors to the terrace areas shall be custom, hinged glass doors as manufactured by Pella. The doors shall be equipped with double paned glass, set in extruded aluminum with an anodized finish. All balcony and terrace doors shall be equipped with entry type locksets.

All balcony and terrace doors will be constructed with a polyurethane, thermal break system as necessary.

The Sponsor reserves the right to provide doors to terrace areas by different manufacturers, which are equal to or better than noted above.

(5) Exterior entrances:

The exterior entrances to the buildings shall be free of tripping hazards and ponding. The exterior entrances shall also be ADA compliant and shall comply with the N.Y. City Building Code. The first floor entrance to the building will be accessible from grade level and will provide access to an ADA compliant elevator which will provide access to all floors o the building.

Walkways and driveways at grade level shall be pitched to cast iron, area drains. Sidewalks shall be pitched towards the curb to allow for drainage. The exterior drainage system will be adequate and shall comply with the N.Y. City Building Code and the standards of the N.Y. City Department of Transportation.

(i) Exterior Doors and Frames;

There will be one, main, residential, exterior entrance door, accessible from Commercial Street.

The main lobby entrance doors shall be single-hinged, double glazed glass door with sidelight, set in extruded aluminum framing and mounted on steel frames. The door shall be a non-fire rated door, equipped with an entry type lockset and will provide access to the main lobby, elevator and exit stairs.

The main entrance door will be as manufactured by Pella.

All exterior doors will be constructed with polyurethane, thermal break, system.

The Sponsor reserves the right to provide exterior doors by a different manufacturer which will be equal to or better than noted above.

(ii) Vestibule doors and frames;

There will be no vestibule area or door adjacent to the entrance lobby.

(iii) Exterior Stairs;

There will be no stairs at the exterior of the building.

(iv) Railings;

There will be no railings at the exterior of the building.

(v) Mailboxes;

U.S.P.S. approved type mailboxes will be provided for each residential unit adjacent to the entrance doors, located at the first floor level.

Mailboxes shall be wall mounted, cluster box type units, Series 3300 as manufactured by Salsbury Industries. Mailboxes shall be of aluminum construction.

The Sponsor reserves the right to provide mailboxes by a different manufacturer which are equal to or better than noted above.

(vi) Lighting;

There will be wall mounted, exterior, LED lighting fixture provided adjacent to the main entrance at the first floor level.

The lighting fixture shall be capable of providing the LED illumination, equivalent to at least two hundred (200) watts incandescent illumination.

Lighting shall be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by a N.Y. State licensed electrician and shall be in compliance with the New York City Electrical Code.

(6) Service entrances:

There will be no separate service entrances to the building. The following sub-sections will not be applicable to this Report.

(i) Doors and Frames (material, type, lock);

(ii) Gates (material, type, lock);

(iii) Exterior Stairs (material, location);

(iv) Railings (materials, location);

(7) Roof and Roof Structures:

(i) Types:

There will be flat roof areas located above the second, fourth and fifth floor levels of the building. There will also be a flat roof area above the stair and elevator bulkhead.

There will be a sustainable roofing zone with green roof areas of approximately 326 square feet in compliance with N.Y. City Buildings Bulletin 2019-010, provided at the roof area above the fifth floor. The roof area will be a limited common area for Unit 3 only.

The green roof areas will be planted in rectangular, extruded, polyurethane, modular planter trays which will be supported on adjustable, polyurethane pedestals which also support the adjacent roof pavers. Planter trays will be equipped with small drainage filter holes to prevent passage of soil to the finished roof areas. Planter trays shall be as manufactured by Tile Tech Inc.

The warranty information for the described system is not immediately available.

The Sponsor reserves the right to provide a green roof system by a different manufacturer than noted above.

(i) (a) Material;

The flat roof areas shall be of a multi-ply, rubberoid, roofing finish, as manufactured by Firestone, on rigid insulation; supported by a poured, reinforced, concrete slab and reinforced concrete columns and load bearing walls. The roof above the flat roof areas, which will be used as limited common areas, shall be finished with masonry tile pavers, supported on adjustable, leveling pedestals. The other common roof areas will not be finished with pavers.

(i) (b) Insulation;

The rigid insulation located above the concrete slab of the roof areas shall have a minimum R value of 33.

The roof composition shall comply with the 2016 New York City Energy Conservation Code and the New York State Energy Conservation Construction Code.

(i) (c) Surface finish;

The flat roof areas shall be finished with a multi ply rubberoid, roofing membrane as manufactured by Firestone.

The Sponsor reserves the right to provide a roofing finish by a different manufacturer which is equal to or better than noted above.

(i) (d) Bond or guarantee;

The expected life span of the roof type is ten (10) to fifteen (15) years. A minimum fifteen (15) year No Dollar Limit manufacturer's warranty for materials and labor shall be provided for the flat roof areas. The warranty will commence when the installation of the roof has been completed.

The Sponsor will verify with the roof manufacturer that the installation of the roof paving and support pedestals will not affect the roof warranty.

(i) (e) Flashing materials including counter flashing;

The perimeter of the roof areas at parapet walls shall be fitted with aluminum or stainless steel flashing and counter flashing.

Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed with galvanized steel or stainless steel base and cap flashing.

(ii) Drains:

(ii) (a) Location, material and type;

The open roof areas shall be pitched at minimum slope of approximately 1/8" per foot to controlled flow roof drains with adjacent overflow drains and internal leaders. Roof drains and leaders shall be of cast iron and shall be connected to the building's storm drainage system.

The roof area above the stair and elevator bulkhead will be equipped with aluminum scuppers and leaders which will drain to aluminum splash blocks at the roof above the fifth floor.

The design of the roof and site drainage system (Site Connection Proposal) was reviewed and approved by the New York City Department of Environmental Protection, as a prerequisite of the building plans being approved by the New York City Department of Buildings. The drainage system was designed to comply with Section 1503.4 of the 2014 N.Y. City Building Code.

All roof area drains will be equipped with adjacent overflow drains as required by the N.Y. City Building Code. Roof areas including the roof drains, located at limited common roof areas, shall be maintained by the residential units to which they have been allocated.

Repairs to damaged areas and leak damage to a residential unit will be address in the Declaration and By Laws of the Condominium.

(ii) (b) Gutters and leaders (type, material);

There will be aluminum scuppers and leaders at the roof area above the stair and elevator bulkhead which will drain the runoff to aluminum splash blocks and to the roof drains above the fifth floor level.

(iii) Skylights (location, type, material):

There will be two three foot diameter, circular, walkable type skylights located at the roof area of the building above the fifth floor. Skylights are fixed type skylights and shall be of double glazed, tempered glass, with a non-slip exterior surface. The skylights will be custom made and will be set in a stainless steel framing system which will be constructed with a thermal break system. The skylights will be designed to be level with the adjacent roof paving and green roof system and will be constructed with stainless steel flashing on a minimum six inch curbs.

The skylights shall be as manufactured by GBA Architectural Products.

The Sponsor reserves the right to provide skylights by a different manufacturer which will be equal to or better than noted above.

(iv) Bulkheads:

(iv) (a) Stair (material);

The exterior walls of the stair bulkhead shall be of load bearing masonry walls with a stucco exterior finish and of steel stud walls with exterior grade insulation with a stucco finish at the exterior and two layers of gypsum wallboards at the interior surfaces. The roof areas shall be finished with a rubberoid roofing finish on rigid insulation, supported on a poured, reinforced, concrete slab.

(iv) (b) Elevator (material);

The exterior walls of the elevator bulkhead shall be of load bearing masonry walls with a stucco exterior finish and of steel stud walls with exterior grade insulation with a stucco finish at the exterior and two layers of gypsum wallboards at the interior surfaces. The roof areas shall be finished with a rubberoid roofing finish on rigid insulation, supported on a poured, reinforced, concrete slab.

(iv) (c) Other;

There will be no other bulkhead areas.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs (material);

There will be no exterior metal stairs at the roof areas of the building.

(v) (b) Vertical ladders, including gooseneck;

There will be one vertical, galvanized steel, gooseneck ladder at the roof area above the fifth floor. The ladder will provide access to the roof above the stair and elevator bulkhead (from the roof above the fifth floor level). All bolts and fasteners shall be of corrosion resistant materials.

(v) (c) Railings;

There will be a galvanized steel or wrought iron, parapet guardrail, at the perimeter of the roof area above the stair and elevator bulkhead. The guardrails will be a minimum height of three feet and six inches (3’-6”) above the finished roof level. The maximum spacing between components of the guardrails shall be approximately four inches (4”) as required by the N.Y. City Building Code.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

There will be no other structures at the roof areas.

(vi) Rooftop Facilities:

The green roof area located at the roof above the fifth floor will be maintained by Unit 3 to which the entire roof area has been allocated as a limited common element. The owner of Unit 3 will be responsible for the planting, maintenance and upkeep of the green roof area. The size of the green roof area as approved by the Department of Buildings may not be reduced.

Access to roof areas has been designed to comply with Section 504.4 (Rooftop Access) of the 2014 N.Y. City Fire Code. There shall be a minimum, six foot clear, fire department access path provided at the roof area above the fifth floor. There can be no obstacles placed in the fire department access path at the roof above the fifth floor.

There will be no rooftop facilities at the roof areas above the second, fourth and fifth floors and above the stair and elevator bulkhead.

The roof areas will be a private, limited common, passive recreation area for the units located at the second through fifth floor levels.

The roof terraces will be listed as accessory areas to the adjacent apartments on the Certificate of Occupancy. The terrace areas will be only for the use of the adjacent residential units and will have the same occupancy as the residential unit. The approximate occupant load for Unit 2 will be five persons. The approximate occupant load for Unit 3 will be twelve persons. The roof terrace areas will not be used as commercial spaces.

There will be hookups provided for a sink and electric barbecue grill provided at the roof above the fifth floor. The actual equipment to be installed will be provided by the eventual unit's owner. The location of the equipment has been approved by the N.Y. City Department of Buildings. There will be no furniture or equipment provided by the Sponsor.

Access easement to all common, mechanical equipment, electrical wiring and plumbing throughout the building will be noted in the Declaration which is part of the Offering Plan.

(8) Fire Escapes:

There will be no fire escapes at the exterior of the building as fire escapes are not permitted on new buildings. Interior egress stairs will be provided as per Section (h)(10) of this Report.

The following sub sections will not be applicable to this Report:

(i) Location;
(ii) Floors covered;
(iii) Drop ladder;
(iv) Type;
(v) Materials;

(9) Yards and Courts:

There will be one yard area to the front and one to the rear of the building.

The front yard area will be a minimum depth of approximately four feet, measured perpendicular to the front facade of the building facing the property line at Commercial Street. The front yard area will be at grade level and will provide access to the main entrance.

The rear yard area will be irregular in shape and will extend to a depth of twenty eight feet and nine inches and twenty five feet and nine inches a (at the easterly and westerly side lot lines respectively) from the rear facade at the first floor level. The rear yard will be a limited common open yard area to the unit located at the first floor level.

(i) Paving;

The front yard area will be at grade level and will contain an open area planted with grass and shrubs and a paved walkway providing access to the main entrance.

The open rear yard area will be party paved with masonry pavers on compacted gravel and earth and partly planted with grass and shrubs.

(ii) Drainage;

The yard areas will be equipped with, cast iron, area drains connected to the building's storm drainage system..

(iii) Railings;

There will be no guard railings at the front or rear yard areas.

(iv) Stairs;

There will be no stairs at the open yard areas.

(v) Fencing;

There will be a six foot high, wood fence at the rear yard area along the property line at the rear of the building.

(vi) Walls;

There will be no walls at the yard areas.

(10) Interior Stairs:

(i) Number and type;

There will be a U type, interior egress stairs within the building, located centrally and at the Westerly, side lot line. The stairs will terminate at the first floor, grade level and will provide egress from the second floor through to the roof above the fifth floor level of the building.

There will be two interior stairs within the residential units with multiple levels; one at the first and second floor levels and the other at the fourth, fifth and through to the main roof level of the building.

The interior stairs within the residential units (Group R-2 occupancy) were interpreted and designed to comply with; **Section 1009.9 Spiral stairways,** of the 2014, N.Y. City Building Code. The stair design includes spiral stair, tread components, in combination with rectangular stair tread components. The stair designs were reviewed and approved by the N.Y. City Department of Buildings.

The stair design does not comply with Section 1009.4.2, of the 2014, N.Y. City Building Code, as it relates to winder stair treads, which requires a minimum tread width of six inches at the narrow end of the tread.

A Special Risk, if necessary, will be added to the Offering Plan (Part I) to indicate that the stair design does not comply with Section 1009.4.2 of the 2014, N.Y. City Building Code.

(ii) Enclosure;

The walls enclosing the interior, egress, stairs will be of poured, reinforced concrete and also of steel studs with two layers of gypsum wallboards on each side. The ceiling areas, below the landings of the egress stairs shall be of gypsum wallboards or concrete. The enclosures will have a minimum fire resistance rating of two hours.

(iii) Stair construction;

The interior egress stairs shall be of steel pan construction. The interior stairs within the units shall also be of steel pan construction.

(iv) Stringers;

The stringers at the interior egress stair and at the interior stairs within the units shall have steel channel stringers.

(v) Treads;

The treads of the egress stairs and the interior stairs within the units shall be of poured, reinforced concrete construction.

(vi) Risers;

The risers of the egress stairs and the stairs within the units shall be of steel plate construction.

(vii) Guardrails;

The open perimeter of egress stair landings, where necessary, shall be protected with galvanized steel guardrails. The open perimeter of stairwells and landings within the units shall be protected with galvanized steel or wood guardrails or tempered glass set in extruded aluminum framing.

All guardrails shall be a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions or other components of the railings shall be approximately four inches (4") on center, as required by the N.Y. City Building Code.

The egress stairs shall be equipped with galvanized steel tube handrails. The interior stairs within the units shall be equipped with steel tube or wood handrails. Handrails shall be a minimum height of thirty inches above the finished level of the treads.

(viii) Balustrade;

There will be no balustrades at the perimeter of any of the stair landings.

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames;

The entrance door to each residential unit shall be single hinged, fireproof self-closing, hollow metal doors with a minimum rating of one and one half hours. Doors shall be mounted on steel frames. Each door shall be equipped with a peephole and an entry type lockset.

Interior doors within the residential units shall be, hollow core, wood doors, mounted on wood frames. Doors within the residential units shall be equipped with passage type locksets.

(ii) Corridor doors and frames;

There will be corridor doors located at the first floor level of the building and will provide access to mechanical rooms and meter rooms, storage rooms and refuse disposal rooms. Corridor doors shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours. All doors shall be set in steel frames.

(iii) Stair hall doors and frames;

Stair hall doors, located at the first through roof levels shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours. All doors shall be mounted on steel frames.

(iv) Roof Doors, Cellar Doors and frames;

There will be no cellar level in the building. The roof door to the egress stair shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours.

The door to the roof from the private stair to the fifth floor shall be a non rated, wood or double glazed glass door with an entry type lockset.

All exterior roof doors shall be mounted on steel frames.

(12) Elevators:

(i) Number;

There will be one passenger elevator provided in the building.

(ii) Manufacturer & capacity;

The passenger elevator shall be Monospace 500 model as manufactured by Kone Corporation. The elevator will have a capacity of approximately 3,500 pounds and shall be capable of accommodating approximately six persons at a time.

(iii) Type of Operation;

The elevator will have a single car, automatic microprocessor type operation.

(iv) Automatic (Type of controls);

The elevator will be fully automatic. The elevator car shall be equipped with a self leveling feature that will automatically bring the car to floor landings independent of the operable part and shall correct for over travel and under travel.

(v) Floors served;

The elevator will serve the first through fifth floor levels of the building.

The elevator will be equipped with a key or code entry device which will limit access to the second, third, fourth and fifth floors.

(vi) Type (hydraulic, gearless);

The elevator will be a machine room less, gearless, traction type, movement system.

(vii) Doors (sliding, swinging, manual, automatic);

The elevator will be equipped with a single speed, automatic sliding door.

Elevator doors at each landing will be hollow core steel doors with a minimum fire rating of one and one half hours.

(viii) Location of machine rooms;

The elevator mechanical room will be located at the first floor level adjacent to the elevator enclosure.

(ix) DC motor (manufacturer);

There will be no DC motor.

(x) AC motor generator set (manufacturer);

The elevator will be powered by a 12.5 H.P. motor and will be provided with a 208 volt triple phase electrical supply.

The Sponsor reserves the right to provide elevator equipment by a different manufacturer which is equal to or better than noted above.

(13) Elevator Cabs:

(i) Kind (Manufacturer);

The elevator cab shall be manufactured by Kone Corporation.

(ii) Floor (Material);

The floor shall be of vinyl composition tiles. The saddle at the opening of the elevator cab shall be of vinyl or extruded aluminum and shall be at the same level as the finished floor inside the cab and the finished floor of each landing. The path of travel between elevator and the landings at finished floor levels shall be compliant with the 2010 ADA requirements.

(iii) Walls (Material);

The walls shall be finished with plastic laminate.

(iv) Ceiling (Material);

The ceiling shall be a suspended ceiling with a stainless steel finish.

(v) Lighting;

The elevator cab will have recessed LED lighting fixtures each with the equivalence of approximately sixty watts of incandescent illumination.

(vi) Alarm, Safety system;

The elevator cab will be equipped with emergency lighting, emergency push / pull stop switch, emergency push button alarm and an emergency telephone communication system.

The Sponsor reserves the right to install elevator equipment, finishes and alarm systems by a different manufacturer which are equal to or better than noted above.

(i) AUXILIARY FACILITIES

The auxiliary facilities will include laundry closets within the residential units and a package storage room located at the first floor level of the building.

(1) Laundry rooms:

(i) Location and number;

There will be one laundry closet provided within each residential unit with hookups for domestic, stackable type, electric washing machines and electric dryers.

The laundry closets at Units 5 A and 5B located at the fifth floor level will only be able to accommodate stackable type, washers and dryers. The laundry closets at all other units will be able to accommodate stackable or side by side washers and dryers.

The actual laundry equipment to be installed will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved.

(ii) Clothes Washers;

There will be no washing machines provided by the Sponsor

(iii) Clothes Dryer;

There will be no clothes dryers provided by the Sponsor.

(iv) Room Ventilation;

There will be a fixed, fresh air, intake vent provided for laundry closets within each residential unit. There will also be galvanized steel, exhaust ventilation flues provided for interior bathrooms and toilet rooms. Exhaust vent ducts will terminate at the roof above the fifth floor level.

(v) Dryer Ventilation

There will be no gas dryers requiring mechanical ventilation. Electric dryers will be the ventless type.

(2) Refuse Disposal:

Refuse disposal will be the responsibility of each residential unit's occupant.

Residential unit occupants will dispose of their garbage in the refuse bins which will be located at the yard area to the front of the building. Residential garbage will be removed from the bins and packaged by a janitorial service. Refuse will be placed at curb level the night before scheduled pickups; from where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no thrash compactors in the building.

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required for the removal of garbage. Residential garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Residential garbage will be stored in a refuse bins located at the yard area to the front of the building at the first floor / grade level.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Tuesdays, Thursdays and Saturdays with recycling on Tuesdays as per the N.Y. City Department of Sanitation's website.

(3) Bicycle storage;

There will be no bicycle storage areas required or provided.

(4) Storage;

There will be no common or limited common storage areas in the building.

(5) Mail / Package;

There will be an enclosed mail package storage area at the first floor level. There will be one storage area with an area of approximately 18 square feet.

The storage area will be enclosed with masonry walls with gypsum wallboard finish on steel furring studs and with steel stud walls finished with gypsum wallboards on both sides. The enclosure will have a minimum fire resistance rating of two hours. The ceiling will be of gypsum wallboards on steel furring channels.

The floor will be finished with vinyl tile. The walls and ceilings will be painted with one coat of primer and one coat of finish paint.

There will be a hollow core, steel access door with a minimum fire resistance rating of one and one half hours. The door will be equipped with an entry type lockset for security.

(j) PLUMBING AND DRAINAGE

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the existing New York City Water Distribution System located in the roadway beneath Commercial Street. There will be a new, minimum 3" combined domestic and sprinkler, copper water main conveying water into the building.

There will be a main shut-off valve located in the sprinkler / mechanical room, at the cellar floor level towards the front of the building.

Each residential unit is to be supplied with cold water from a minimum ½" copper piping. Each residential unit will have its own hot water heater, located in the sprinkler / mechanical room at the first floor towards the front of the building.

The hot and cold water piping throughout the building will be protected with a minimum ½" thick polyethylene, thermal insulation with a minimum R value of 2 as required by the N.Y City Energy Code and the N.Y, State Energy Conservation Construction Code.

The building will rely on normal New York City water pressure for raising water to the roof and bulkhead above the fifth floor level. There will be a booster pump installed for the water supply system.

(2) Fire Protection System:

There will be a wet pipe, sprinkler system installed throughout the building. A sprinkler application work type was filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Mechanical Engineer in conjunction with the new building application. The application was filed in conjunction with the new building application number B00712301.

There will also be a separate fire alarm system installed throughout the building.

The nearest fire hydrant to the building is approximately ten feet, Easterly of the easterly, side property line, at Commercial Street.

There is no Fire/Jockey booster pump specified for the sprinkler system.

(i) Standpipes;

There will be no standpipes in the building.

There will be a minimum 3” diameter, steel, sprinkler riser pipe, located in the common egress stair enclosure.

(ii) Hose racks, hoses and nozzle;

There will be no hose racks, hoses and nozzles in the building.

(iii) Sprinkler heads;

Sprinkler heads shall be mainly of the concealed, pendant type within the residential units and of the upright pendant type at the first floor mechanical room areas. There will be no sprinkler heads at bathroom areas.

Sprinkler heads have been designed with a temperature rating of approximately 135-170 degrees Fahrenheit.

(iv) Siamese Connection;

There will be a 3” x 3” x 4” wall mounted, siamese connection located at the front façade of the building at Commercial Street. The connection will be a minimum of 18” above grade.

(3) Water storage tanks and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure;

The building will rely on normal N.Y. City water pressure which is adequate to raise the water to the bulkhead area above the fifth floor level of the building. The water pressure at the site was found to be approximately 62 psi as per a hydrant flow test which was conducted by the New York City Department of Environmental at the request of the Sponsor's Mechanical Engineer.

There will be a domestic, centrifugal, water booster pump, model CR10-2 as manufactured by Grundfos located at the sprinkler / mechanical room at the first floor.

Grundfos products are warranted to the original purchaser for a period of not more than 30 months from the date of manufacture as indicated on the nameplate on the product.

(5) Sanitary Sewage System:

(i) Sewage piping (materials);

Sanitary sewage piping shall be of extra hard cast iron.

(ii) Sewage pumps;

There will be no sewage ejector pumps located in the building.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via new, extra heavy cast iron, sewer pipes located within the building, which will lead to a house trap of extra heavy cast iron, located towards the front of the building at the first floor level.

Beyond the house traps, there will be new 6", extra heavy cast iron, sanitary drain pipes which will be connected to the existing 12" combined sewer located in the roadway beneath Commercial Street.

(6) Permits required:

A permit for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within the building and on the site. A Site Connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be performed by a N.Y. State licensed Plumber.

The current plumbing permit number B00712301-S2-PL was issued on 7/ 14/ 2023 by the N.Y. city Department of Buildings.

(7) Storm Drainage System:

The storm drainage will be a gravity flow system. The on-site, storm drainage system will consist of; controlled flow, cast iron, roof drains connected to vertical, interior cast iron leaders, cast iron area drains and below grade, horizontal, cast iron drains.

The run-off from the roof and yard areas will be conveyed a new 6" extra heavy, cast iron, horizontal, storm drain. The 6" storm drain will be tied into a new combined 6" site connection which will lead to the existing 12" combined sewer, located in the roadway beneath Commercial Street.

The proposed storm drainage system was approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings under application number HCK-1159/22.

(i) Catch Basins;

Catch basins are located in the public roadway along Commercial Street and along Box Street.

Catch basins are constructed of concrete with steel grating covers and have been designed and installed by the N.Y. City Department of Transportation. The catch basins comply with the standards of the N.Y. City Department of Transportation, the N.Y. City Department of Buildings and the N.Y. City Building Code.

(ii) Yard and Roof drains;

There will be controlled flow, cast iron, roof drains located mainly at the roof areas above the second, fourth and fifth floor levels of the building. There will be an aluminum scupper and leader at the roof area above the stair and elevator bulkhead. Area drains will be located at the yard areas to the front and rear of the building.

(iii) Piping;

Interior, vertical, storm and waste pipes shall be of cast iron.

(iv) Ejector or Sump pumps;

There will be no storm water ejector or pumps in the building.

There will be a sump pump located in the elevator pit slightly below the first floor level. The pump will be Model number SE-50 as manufactured by Stancor Oil Minder.

The sump pump has a limited one-year warranty from the date of purchase against defects in material or workmanship, under normal use and service.

The Sponsor reserves the right to provide a sump pump by a different manufacturer which is equal to or better than noted above.

(k) HEATING (SPACE HEATING AND DOMESTIC HOT WATER)

(1) Domestic hot water:

Domestic hot water shall be provided for each residential unit by electric, hot water heaters which will be located within the sprinkler / mechanical room at the first floor level.

There will be no "instant hot water on demand mechanism or devices" provided for the hot water heating system. The hot water heating system shall be designed to be capable of providing peak required services to each residential unit.

Heating of the residential units will be achieved by an electric, multizone, split, forced air, HVAC system. Heated air will also be supplied to the spaces within the residential units, by an electric, multizone, split heating and cooling system (via galvanized steel ducts and wall and ceiling registers).

The space heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees Fahrenheit with a 15 mph wind (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport).

Original Test and Balancing Reports for the HVAC System shall be provided to the Condominium Board upon conversion.

(2) Number of boilers and description:

There will be three, new, electric, hot water heaters provided in the sprinkler / mechanical room located at the first floor level

(3) Manufacturer (model, capacity):

The electric hot water heaters shall be model number **DEL-50A and DEN-66** as manufactured by **AO SMITH.**

Each heater will have a rated input heating capacity of approximately 50 gallons and 66 gallons respectively and shall be UL rated. Each hot water heater will operate with an efficiency rating of approximately eighty (80 %) percent.

The hot water heaters will have a limited warranty of three (3) years on tanks and one year on parts.

The Sponsor reserves the right to provide hot water heaters by different manufacturers which are equal to or better than noted above.

The air handlers will distribute the heated air to the ducts and registers within the Residential units and will be located at a ceiling plenum above the bathroom and closet areas within the units.

The indoor, air handlers will be model numbers **ARNU183NJA4, ARNU243BHA44, ARNU243M2A4, ARNU283M2A4, ARNUM363M2A4 and ARNU483M3A4** as manufactured by **LG.** The air handlers will have heating capacities varying between 20,000 and 54, 000 Btu's per hour and will operate with approximately 90% efficiency. Air handlers will be equipped with thermostats for temperature and air distribution control.

The air handlers operate with a HSPF of approximately 9.00.

The Sponsor reserves the right to provide air handlers by a different manufacturer which are equal to or better than noted above.

The outdoor, heat pump / condenser units will be model numbers **ARNU038GSS4 and ARNU048GSS4** as manufactured by **LG.** The heat pump condenser units will have heating capacities of 42,000 and 54, 000 Btu's per hour respectively and will operate with approximately 90% efficiency.

The heat pump / condensers operate with a HSPF of approximately 9.00 and 9.50 respectively.

LG equipment have a five year warranty on parts and a seven year warranty on compressors.

The Sponsor reserves the right to provide heat pump / condenser units by a different manufacturer which are equal to or better than noted above.

All interior and exterior equipment shall be secured with corrosion resistant materials and fasteners. Rooftop equipment shall be supported on a minimum three inch thick polypropylene pads or steel dunnage beams to limit vibration to the structure below.

Rooftop piping shall be insulated with a minimum ½" thick, fiberglass, exterior pipe insulation as manufactured by Owens Corning.

(4) Manufacturer and age of burners (model, capacity):

The electric, hot water heater components will be new and will be as manufactured by **AO SMITH**.

Air handler and heat pump / condenser components will be new and will be as manufactured by **LG.**

The Sponsor reserves the right to provide burners and components by different manufacturers which are equal to or better than noted above.

(5) Type of Controls:

Each hot water heater and indoor heating component, shall be equipped with thermostats for temperature control of the interior spaces.

(6) Radiators, piping, etc.

There will be no radiators with associated piping in the building.

(7) Fuel (supply system):

Electricity will be provided to the building by Consolidated Edison.

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

(l) GAS SUPPLY

(1) Type;

There will be no gas supply to the building.

(2) Meters;

There will be electric meters located in a meter room at the first floor level.

(3) Piping;

There will be no gas piping throughout the building.

(m) AIR CONDITIONING

The cooling systems will be a designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code.

Original Test and Balancing Reports for the HVAC System shall be provided to the Condominium Board upon conversion.

(1) Type of system:

Cooling of the units will be achieved by the cooling cycle of the split, forced air, H.V.A.C. systems. Cooling of each residential unit will be achieved by supplying cool air (via galvanized steel ducts and ceiling and wall registers) to the different spaces within the units. Ductwork shall be protected at the exterior surfaces with batt insulation with a minimum value of R6.

The compressor / condenser units, which will generate the energy required for cooling, will be located at the roof area above the stair and elevator bulkhead.

(2) Central System (manufacturer, model, capacity):

The cooling system will be as manufactured by **LG** and air handlers will be located at a ceiling plenum above bathroom and closet areas within the residential units.

The indoor, air handlers will be model numbers **ARNU183NJA4, ARNU243BHA44, ARNU243M2A4, ARNU283M2A4, ARNUM363M2A4 and ARNU483M3A4** as manufactured by **LG.** The air handlers will have cooling capacities between 18,000 and 48, 000 Btu's per hour and will operate with approximately 90% efficiency. Air handlers will be equipped with thermostats for temperature and air distribution control.

The air handlers will operate with a SEER of approximately 19.00.

The Sponsor reserves the right to provide air handlers by a different manufacturer which are equal to or better than noted above.

(3) Cooling towers or Condensers (number, location, description):

There will be heat pump / condensers, (at least one for each residential unit) located at the roof above the stair and elevator bulkhead.

The outdoor, heat pump / condenser units will be model numbers **ARNU038GSS4 and ARNU048GSS4** as manufactured by **LG.**. The heat pump condenser units will have cooling capacities of 38,000 and 48,000 Btu's per hour respectively and will operate with approximately 90% efficiency.

The heat pump / condensers will operate with a SEER of approximately 17.00.

LG equipment have a five year warranty on parts and a seven year warranty on compressors.

The Sponsor reserves the right to provide heat pump / condenser units by a different manufacturer which are equal to or better than noted above.

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no window sleeves at the exterior walls of the units.

(n) VENTILATION

The spaces that require mechanical ventilation within the units are the interior bathrooms and kitchen areas. These spaces within the units shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm; for bathroom areas and approximately 3cfm per square foot of floor area or a minimum of 150 cfm, for kitchen areas as required by the New York City Building Code.

Fresh air intake ducts and registers for ventilation of mechanical equipment at the first floor will also be provided as necessary.

The corridor and lobby areas at the first floor level will have natural ventilation from the doors to the exterior which open to those spaces.

The common egress stairs will also be equipped with exhaust ventilation louvers, at the exterior walls of the stair bulkhead, at the roof above the fifth floor.

Mechanical equipment rooms at the first floor level will also be equipped with fresh air intake ducts.

All exhaust equipment shall be UL approved and New York City M.E.A. or B.S.A. approved as necessary.

Mechanical ventilation equipment will have a noise emission rating of approximately 1.2 Sones.

(o) ELECTRICAL SYSTEM

(1) Service from main service switchgear;

The electrical service will be brought in from the terminal point of the Consolidated Edison Co to the building. The total service supplied to the building, shall be a 400 Amp, 240 Volt, triple phase, minimum 8 gauge copper, three wire, service.

The electrical service will be transported throughout the building via, insulated, three wire cables

(2) Service to the individual units;

There will be a separate electrical meter for each residential unit. There will be a 100 Amp 120 / 208 Volt, triple phase, 10 gauge, copper wire electrical service supplied to each residential unit. Copper wire strands shall be protected with a polyvinylchloride insulation.

(3) Compartment switchgear;

The sectional meter boards and transformers supplying power to the meter boards will be located in electrical meter panels, at the meter room located at the first floor level towards the front of the building.

(4) Unit service;

Each residential unit will be equipped with 100 Amp fuses and circuit breakers. The electrical system will be adequate to handle modern usage and appliances such as dishwashers, microwave ovens and electric washers and dryers.

(5) Adequacy;

(i) Service;

There will be approximately ten circuits with circuit breakers provided for each residential unit. The circuits will be adequate to handle modern appliances such as dishwashers and electric washers and dryers.

There will be no common emergency generator provided in the building in case of outages.

(ii) Lighting and Fixtures;

There shall be at least one centrally located, overhead, LED, lighting fixture, provided in each bedroom, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing the LED equivalent of at least 60 watts of incandescent illumination. There will also be overhead, recessed, lighting fixtures at the living areas.

There will be electrical outlets provided at the perimeter of the living areas for the addition of floor and / or table lamp fixtures.

Lighting fixtures and electrical outlets; shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets & appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, etc. within each unit.

Arc Fault Circuit Interrupters (AFCI) and Ground Fault Circuit Interrupters (GFCI) shall be provided at all outlets. Three way switches shall be provided at the first floor areas as necessary to comply with the N.Y. City Electrical Code.

Electrical equipment shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) <u>INTERCOMMUNICATION SYSTEM</u>

Each residential unit will be equipped with an intercom located close to the main entrance door within the unit; which will permit voice and visual contact between the inside of the residential units and the main entrance door at the first floor level. The intercom system shall be equipped with a buzzer to allow access to the entrance lobby. The video and voice tenant station located within each residential unit shall be Model GT-IM3 as manufactured by Aiphone. The video entrance station located adjacent to the entrance to the building at the first floor shall be model GT-DMB-N as manufactured by Aiphone.

There will be no additional CCTV system in the building.

Aiphone warrants its products for a minimum period of two years after delivery.

The building will be wired for cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment by a different manufacturer which is equal to or better than noted above.

(q) PUBLIC AREA LIGHTING

LED lighting fixtures shall be provided in the common stairways and hallways. Lighting fixtures shall also be provided at the common areas at the first floor. Fixtures shall be capable of providing LED illumination equivalent to at least ten (10) watts per twenty five (25) square feet of floor area in incandescent lighting. Each lighting fixture shall be equipped with one or more LED lights, equivalent to not less than sixty (60) watts of incandescent illumination.

Wall mounted, LED, lighting fixtures shall be provided adjacent to the exterior entrance of the building; providing an aggregate illumination equivalent to at least two hundred (200) watts of incandescent illumination.

There shall also be wall mounted, LED, lighting fixtures provided, at the yard area to the rear of the building, at approximately the level of the second floor. The wall mounted, lighting fixtures shall each provide the equivalent of a minimum of sixty (60) watts of incandescent illumination.

The ceiling, lighting fixtures for the interior public areas shall be recessed, model number M4/14W/LED as manufactured by Supreme Lighting.

The lighting fixtures at the exterior entrance shall be wall sconce, model number R8WP153212 as manufactured by Y Lighting.

All public area lighting shall be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

The Sponsor reserves the right to provide lighting fixtures by different manufacturers than noted above.

All lighting fixtures shall be installed by a N.Y. State licensed Electrician and shall comply with the New York City Electrical Code.

(r) GARAGES AND PARKING AREAS

There will be no garages or open parking spaces within or at the exterior of the building. The following sub-sections will not be applicable to this Report.

(1) Location of garages;

(2) Location of parking areas;

(3) Surfaces;

(4) Parking (attended or unattended);

(5) Garage ventilation (method and equipment);

(6) Garage fire protection (method and equipment);

(7) Drainage;

(s) SWIMMING POOLS

There will be no swimming pools within or at the exterior yard areas of the building. The following sub-sections will not be applicable to this Report.

(1) Type (concrete, material composition) and Location;

(2) Size (length, width, depth, capacity);

(3) Enclosure (material including roof);

(4) Pumping and filter system;

(5) Water heating equipment;

(6) Structural support system (roof location);

(t) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

There will be no tennis courts, playgrounds or common recreational facilities, within or at the exterior areas of the building. The following Sub sections will not be applicable to this Report.

(1) Tennis Courts:

- **(i) Type (clay, macadam, turf);**
- **(ii) Number and Size;**
- **(iii) Lighting (number and type);**
- **(iv) Fencing and enclosure;**

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

(u) PERMITS AND CERTIFICATES

All required permits and sign-offs required and a final Certificate of Occupancy are to be obtained by the Sponsor.

The following permits will be obtained by the Sponsor:

PERMIT TYPE	AGENCY
Demolition	Department of Building
Fence	Department of Building
Sidewalk Shed	Department of Building
Foundation	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Sprinkler	Department of Buildings
Electrical	Department of Buildings
Elevator	Department of Buildings
Site Connection	Department of Environmental Protection
Builders Pavement (Construct new sidewalk)	Department of Buildings.

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

Recurring annual inspections to be performed after the building is in operation shall include but not be limited to; the Elevator system, Sprinkler and Fire Alarm gong System, NFPA 80 (Fire Doors) and Mechanical Equipment.

(v) VIOLATIONS

There are currently no open violations listed for the property as per the N.Y. City Department of Buildings Information System website.

Any outstanding violations issued prior to the completion of the project will be resolved by the Sponsor's Contractor prior to the completion of the project.

A Certificate of Correction will be submitted to the Department of Buildings for all outstanding violations obtained prior to completion of the project.

A Certificate of Occupancy will not be issued by the Department of Buildings until all violations, if any, are corrected.

(w) UNIT INFORMATION

The condominium will consist of three (3) residential units.

The residential units will be located at the first through fifth floor levels of the building.

Part of the first floor level will be a duplex unit with the second floor. There will be one residential unit located at the third floor. The fourth and fifth floors will also be a duplex unit.

There will also be sprinkler, mechanical equipment and meter closets located at the first floor level towards the front of the building.

Unit 1 will consist of:

Three (3) bedrooms, two, plus two half 2 + 2(½) bathrooms, living / dining area, kitchen and laundry closet;

Unit 2 will consist of:

Two (2) bedroom2, two (2) bathrooms, living / dining area, kitchen and laundry closet;

Units 3 A will consist of:

Four (4) bedrooms, three and one half (3 ½) bathrooms, living / dining area, kitchen, laundry room and mechanical closets;

UNIT SIZES:

The dimensions indicated are approximate and are located: horizontally; approximately to the outside face of the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

The floor to ceiling heights within the units will be approximately; ten feet at the first and fourth floors, ten feet and six inches at the second and third floors and eleven feet at the fifth floor.

The approximate square footage for each unit is as follows:

Unit 1	First Floor	= 773 square feet
	Second Floor	= 1,173 square feet
		= 1,946 square feet
Unit 2	Third Floor	= 1,097 square feet
Unit 3	Fourth Floor	= 1.259 square feet
	Fifth Floor	= 978 square feet
	Stair @ Roof	= 73 square feet
		= 2,310 square feet

(1) UNIT FINISHES;

The units will be finished as described herein.

The finished floor of the bedroom areas of the residential units shall be a wood finish. Wood floors shall be of ¾" thick select grade, oak strips, hardwood finish, on a minimum ½" thick plywood underlayment. Living and dining areas shall be of ceramic tile. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings of the residential units shall be of gypsum wallboard. When finished the walls and ceilings shall be primed and painted with one primer coat and one finished coat of paint. Thereafter the unit owners may decorate by finishing with additional coats of paint, wallpaper, paneling, etc. of their own choice.

Residential kitchens shall have wood floors, and gypsum wallboard walls and ceilings.

Full, bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower or a shower at master bathrooms. Bathrooms shall have ceramic tile floors. Tile around the bathtubs or showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

The Sponsor reserves the right to provide hardwood flooring of a different species than noted above.

When completed, the following interior finishes will be installed;

Location	Floors	Base	Walls	Ceilings
1. Living/Dining Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2. Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3. Kitchen	Wood	Wood	G.W.B. Painted	G.W.B. Painted
4. Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
5. Laundry Closet	Ceramic Tile	G.W.B. Painted	G.W.B. Painted	G.W.B. Painted

Note:

G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry
Cl. : Denotes Closet

(2) BATHROOM FIXTURE SCHEDULE;

A. Water Closets: shall be model; Colony 2388.012 as manufactured by American Standard. Water closets shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.

B. Countertop lavatory: shall be model; Rondalyn 0491.019 as manufactured by American Standard with American Standard, model; Colony 2175.200 faucet; set in a plastic laminate finished, particle board vanity countertop.

C. Bathtubs: shall be model; Salem 0155.017 with flow outlet, showerhead and trim model; Colony R110SS as manufactured by American Standard.

D. Showers: shall be Studio Suite, model A800, acrylic shower base, with flow outlet, showerhead and trim model; Colony R110SS as manufactured by American Standard.

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than noted above.

(3) KITCHEN EQUIPMENT SCHEDULE;

The kitchen areas will generally be provided with the following fixtures, appliances and equipment:

1. Formica or wood laminate, wall and base cabinets and formica or wood laminate countertops.
2. Stainless steel sinks single-model HDSB252294) & (double-model HDDB332294) by Elkay. Sinks will be fitted with faucets by Delta model number 400.
3. One, electric range by Frigidare, model number FFEF 3016VS.
4. One, electric, refrigerator by Frigidare, model number LGHT1837 LP.

Note:

The kitchen equipment noted above will be the base equipment provided for all the units. Purchasers will have the option of installing additional appliances and equipment, and / or upgrading their own appliances and equipment, at their own expense, if desired. Hookups for dishwashers shall also be provided at the locations as indicated on the floor plans.

Additional kitchen appliances and fixtures including additional or larger size refrigerators and gas ranges will be the responsibility of the unit owners.

The Sponsor reserves the right to provide fixtures and equipment by different manufacturers, which are equal to or better than noted above.

(x) FINISH SCHEDULE (SPACES OTHER THAN UNITS)

The following interior finishes will be installed at the locations as indicated;

Location	Floors	Base	Walls	Ceilings
1. Mechanical Room	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
2. Meter Rooms	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
3. Stair Hallways	Concrete	Concrete	Mas./ G.W.B. Painted	G.W.B. Painted
4. Corridors	Vinyl Tile	Vinyl	Mas./ G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(y) SAFETY AND WARNING DEVICES

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit; within each bedroom and also at a maximum distance of fifteen feet from any bedroom door within the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detector shall be model number SC9120B as manufactured by BRK Brands Inc.

The building will also be equipped with a full sprinkler system and a separate fire alarm system.

The plans for the fire alarm system were filed with and accepted by the Fire Department of N.Y. City under FDNY REFERENCE # 2022-TMFALM-006192-PLAN.

The fire alarm control panel, is located at the first floor level in an electrical meter room located towards the front of the building. The remote annunciator panel is located at the lobby area adjacent to the entrance to the building.

The sprinkler system and the smoke and carbon monoxide detectors are the fire and smoke safety devices required by the N.Y. City Building Code.

The Sponsor reserves the right to provide a combined smoke and carbon monoxide detector by a different manufacturer which is equal to or better than noted above.

(z) ADDITIONAL INFORMATION

A revised site plan indicating the location of the property lines and the approximate outline and size of the adjacent building is herewith submitted.

A revised Bulkhead and Roof plan with a note indicating that the size of the required green roof area may not be reduced is herewith submitted.

The area of roof terraces and balconies are already indicated on the previously submitted floor plans.

(bb) FURTHER DEVELOPMENT

There is no further development of the property proposed. The Sponsor shall not construct any additional units or phases after completion of the structure which is contrary to the plans as approved by the N.Y. City Department of Buildings.

(cc) ASBESTOS

There are no asbestos made products or products containing asbestos materials specified or used in the construction of the building.

(dd) LEAD-BASED PAINT

There are no lead-based paint or lead-based paint products specified or used in the construction and finishing of the building.

(ee) CORROSIVE MATERIALS

There are no "Chinese Drywall" or other known corrosive drywall materials specified or used in the construction of the building.

(ff) TENANT PROTECTION PLAN

The building will be new construction and will not be occupied by tenants and / or unit owners prior to the Sponsor obtaining a Certificate of Occupancy.

(gg) DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT

The following documents, as applicable, shall be transferred to the Condominium Management upon transfer of control:

Operation & Maintenance (O & M) manuals for mechanical equipment;

Electronic system manual;

Re-commissioning manual (as applicable);

Equipment Warranties;

Roof Warranty;

Major Equipment Start-Up Sheets;

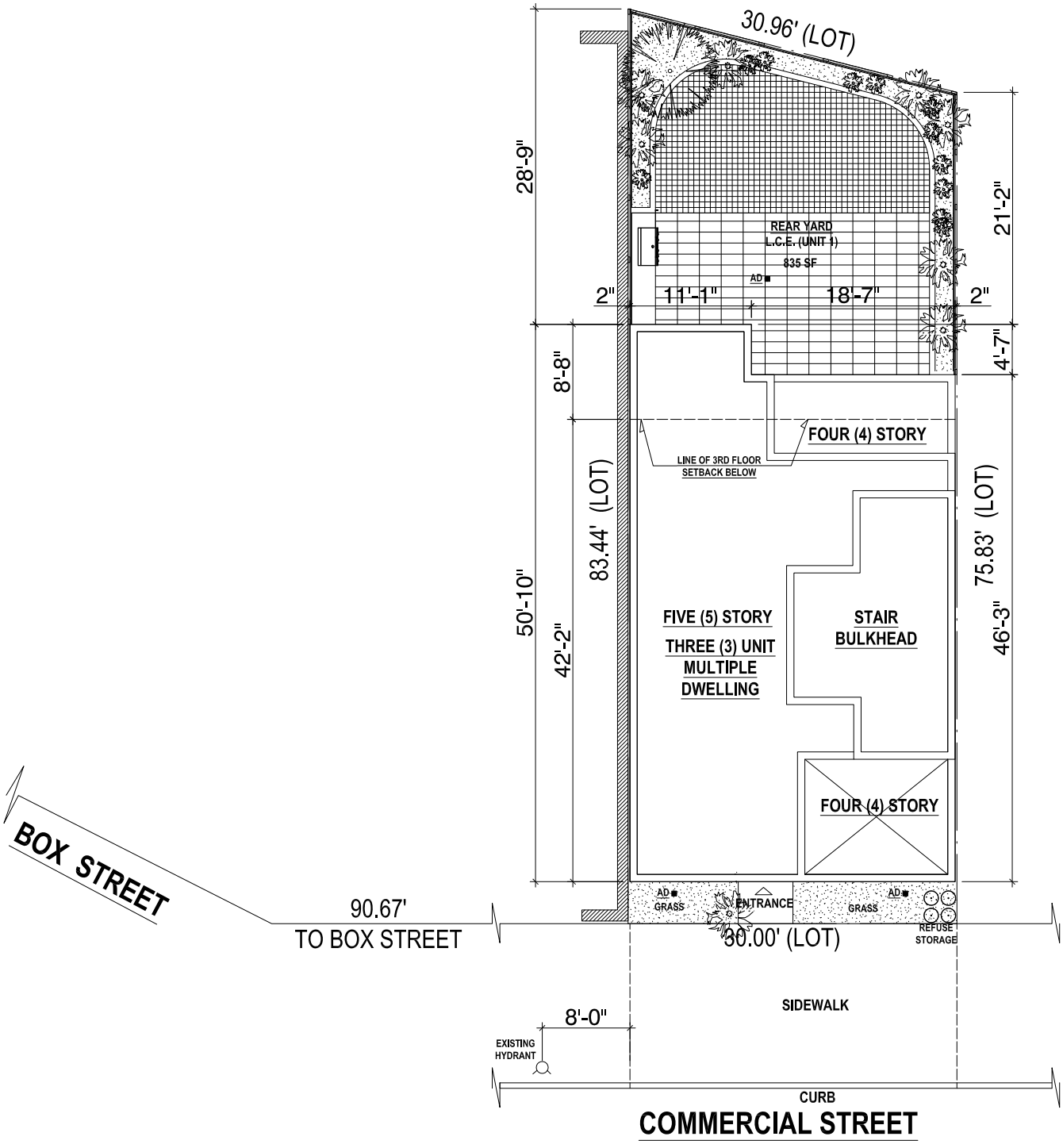
Control System As-Built

Original Test and Balance Report for HVAC System;

Indoor Air Quality Report;

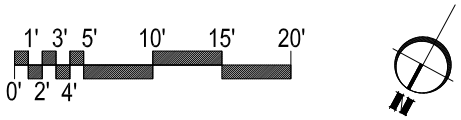
Final As-Built Drawings as maintained during construction, ie, Structural, Mechanical, Electrical, Plumbing, Shop Drawings.

EXHIBIT E: FLOOR PLANS



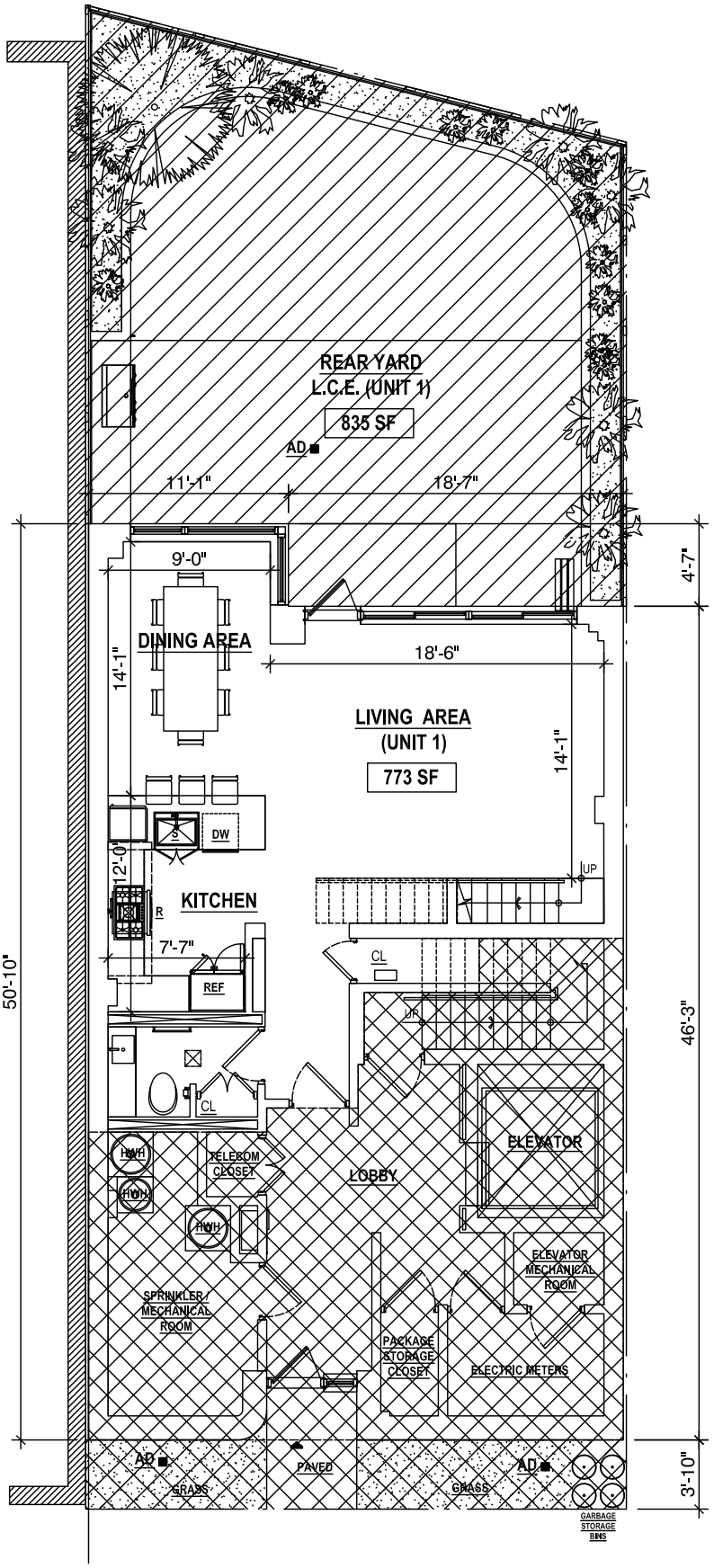
PLOT PLAN

68 COMMERCIAL STREET, BROOKLYN NY 11222



BLOCK : 2482
LOT : 16

(REVISED: 09-15-2023)



FIRST FLOOR PLAN

68 COMMERCIAL STREET, BROOKLYN, NY 11222

1' 3' 5' 10' 15' 20'

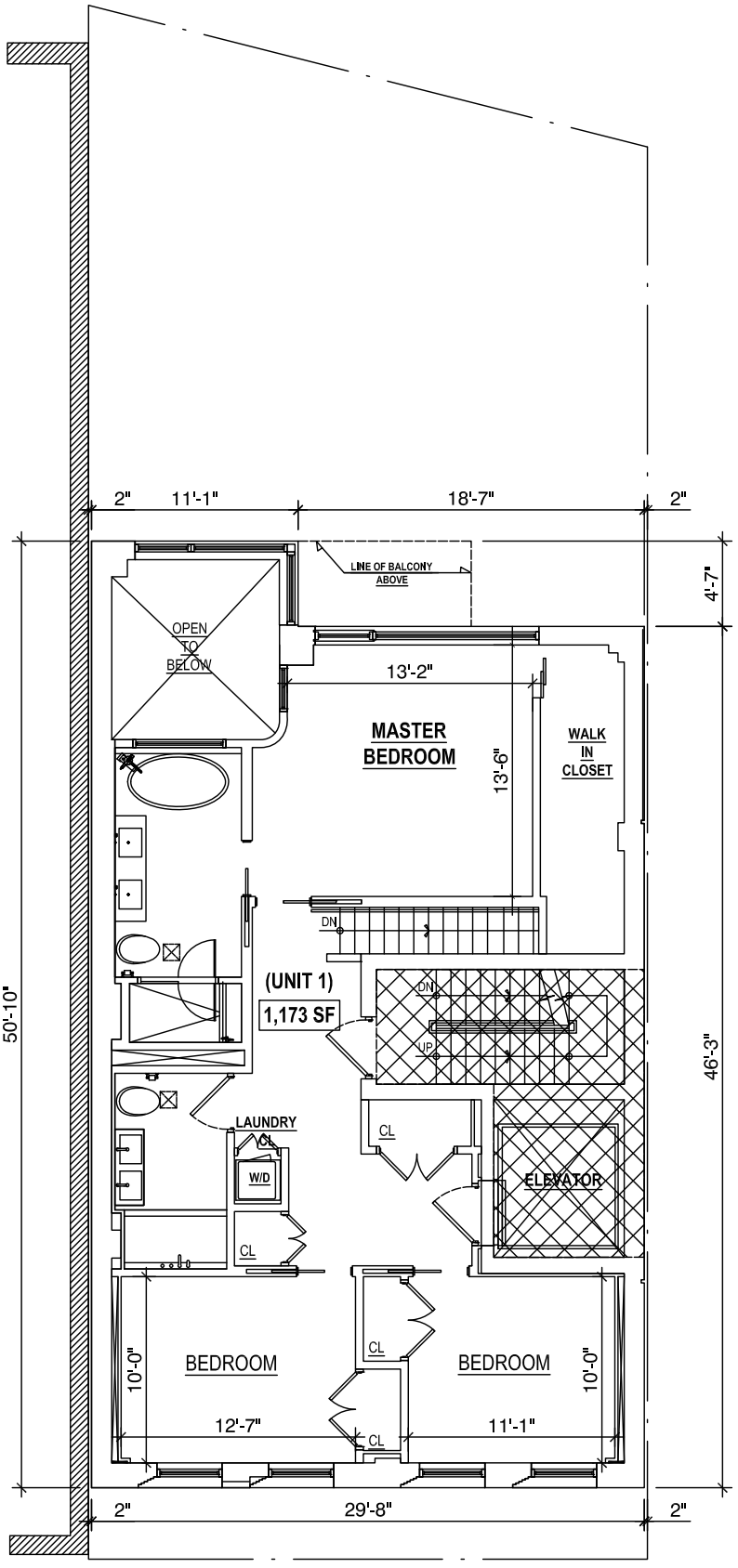
0' 2' 4'

(REVISED: 09-15-2023)

197

LEGEND

	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
S	DENOTES KITCHEN SINK
DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
HWH	DENOTES HOT WATER HEATER
AH	DENOTES AIR HANDLER
FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN



SECOND FLOOR PLAN

68 COMMERCIAL STREET, BROOKLYN, NY 11222

1' 3' 5' 10' 15' 20'

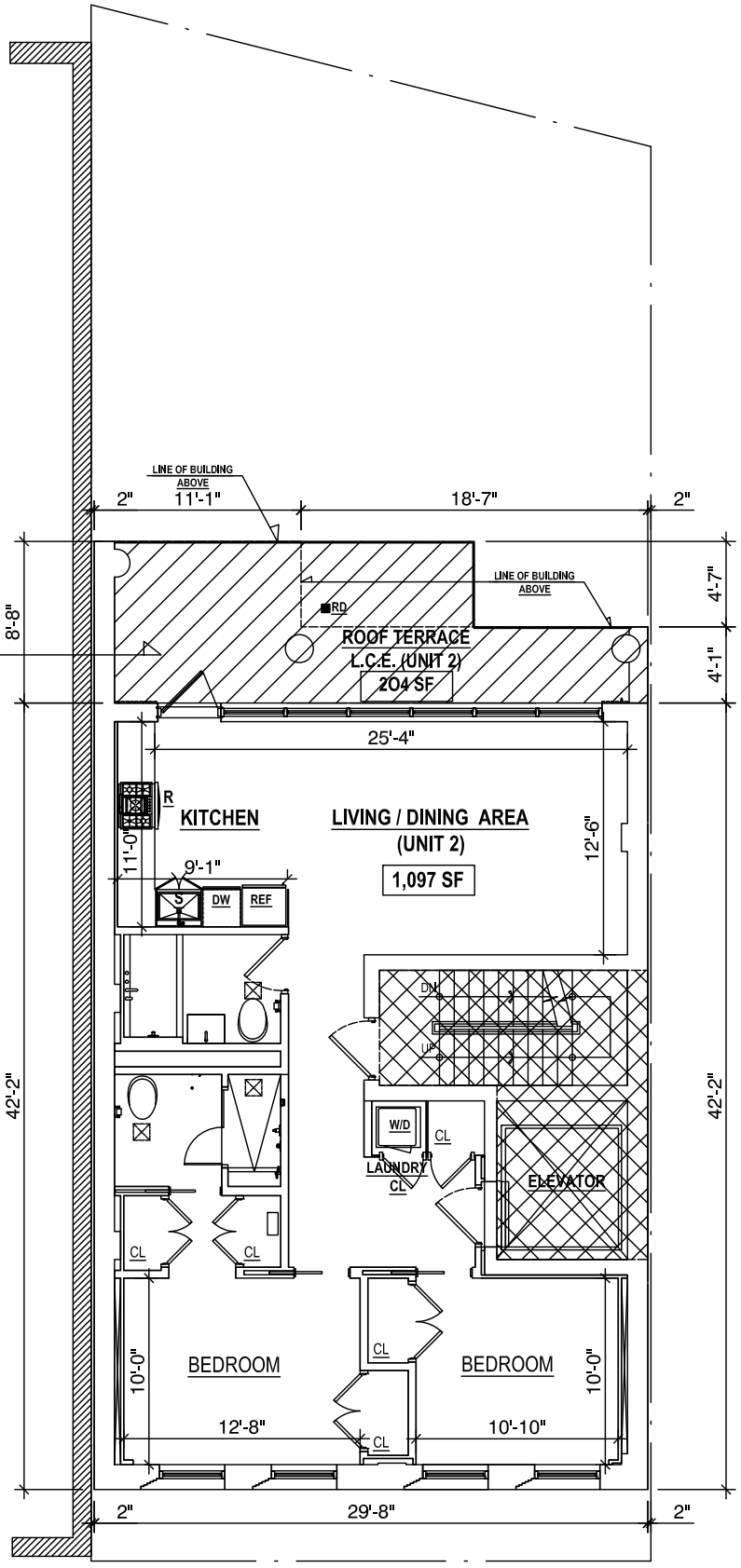
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(DATE: 05-30-2023)

198

LEGEND

	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
S	DENOTES KITCHEN SINK
DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
HWH	DENOTES HOT WATER HEATER
AH	DENOTES AIR HANDLER
FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN



THE APPROXIMATE OCCUPANT LOAD OF THE LIMITED COMMON ROOF AREA WILL BE THE SAME AS FOR THE RESIDENTIAL (UNIT 2) WHICH IS:
5 PERSONS

THIRD FLOOR PLAN

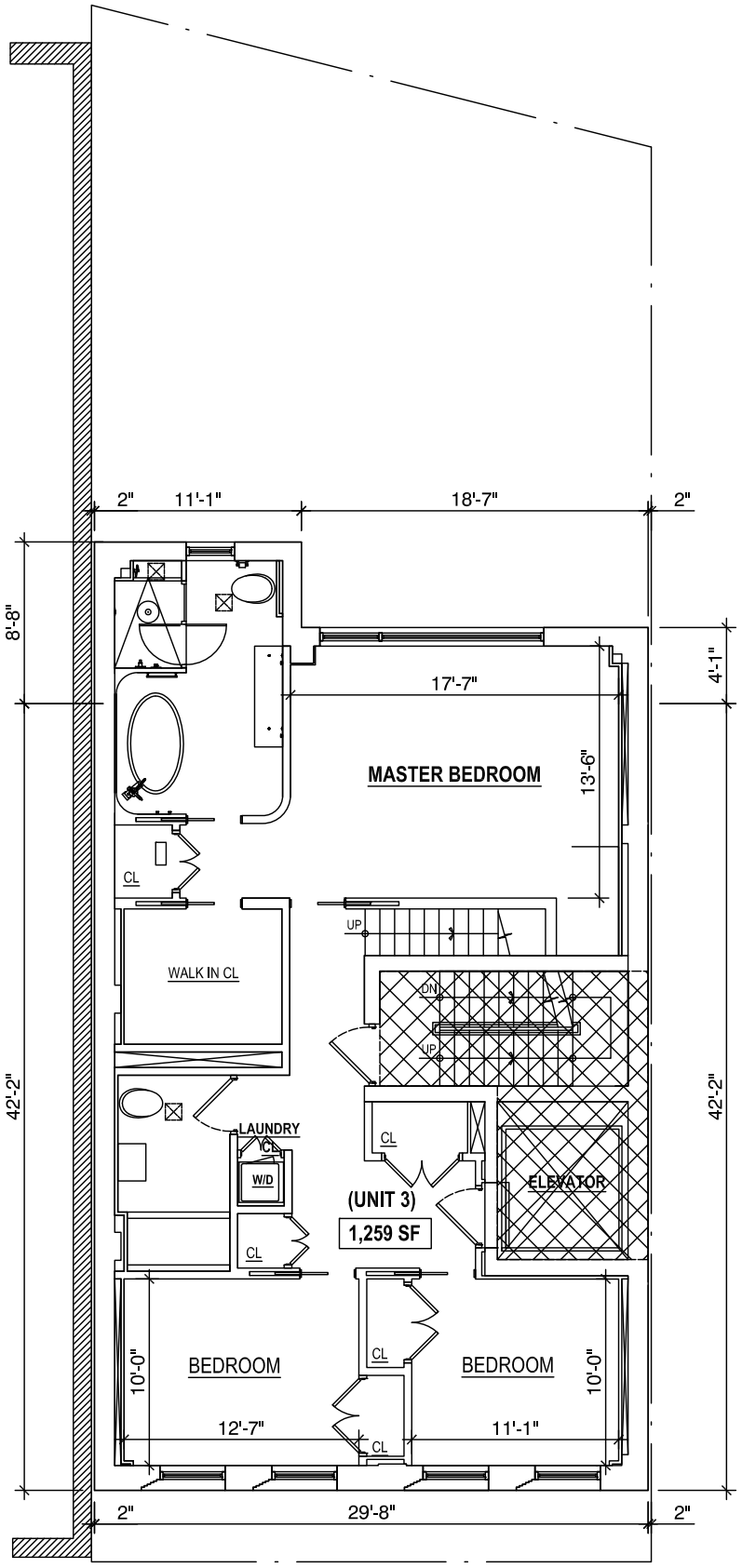
68 COMMERCIAL STREET, BROOKLYN, NY 11222

1' 3' 5' 10' 15' 20'
0' 2' 4'

(REVISED: 09-15-2023)

LEGEND

	DENOTES COMMON AREAS
	L.C.E.: DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
S	DENOTES KITCHEN SINK
DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
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AH	DENOTES AIR HANDLER
FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN



FOURTH FLOOR PLAN

68 COMMERCIAL STREET, BROOKLYN, NY 11222

1' 3' 5' 10' 15' 20'

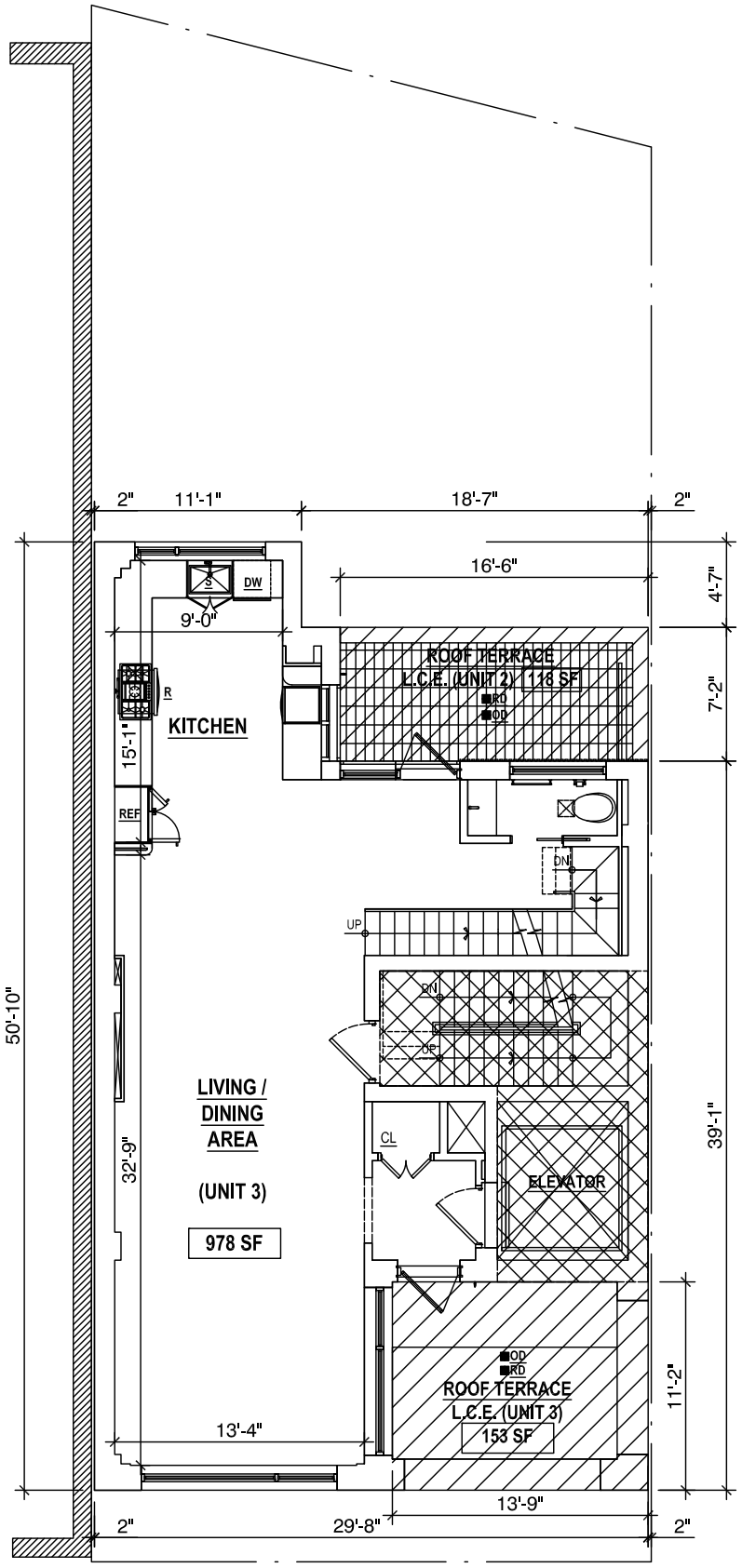
0' 2' 4'

(DATE: 05-30-2023)

200

LEGEND

	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
S	DENOTES KITCHEN SINK
DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
HWH	DENOTES HOT WATER HEATER
AH	DENOTES AIR HANDLER
FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN



FIFTH FLOOR PLAN

68 COMMERCIAL STREET, BROOKLYN, NY 11222

1' 3' 5' 10' 15' 20'

0' 2' 4'

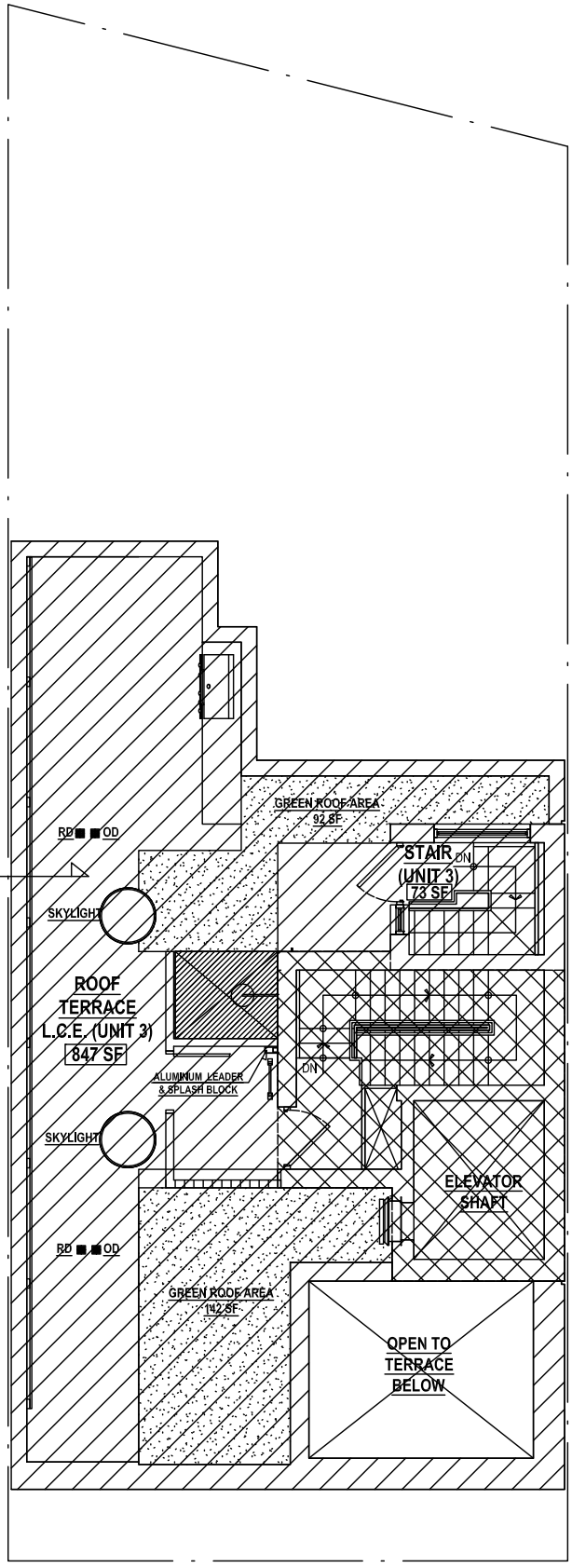
(DATE: 05-30-2023)

201

LEGEND

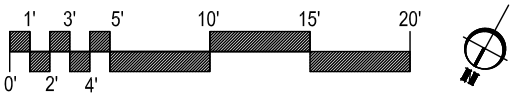
	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
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DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
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FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN

THE APPROXIMATE OCCUPANT LOAD OF THE LIMITED COMMON ROOF AREA ABOVE THE FIFTH FLOOR WILL BE THE SAME AS FOR THE RESIDENTIAL (UNIT 3) WHICH IS : 12 PERSONS



BULKHEAD & ROOF PLAN

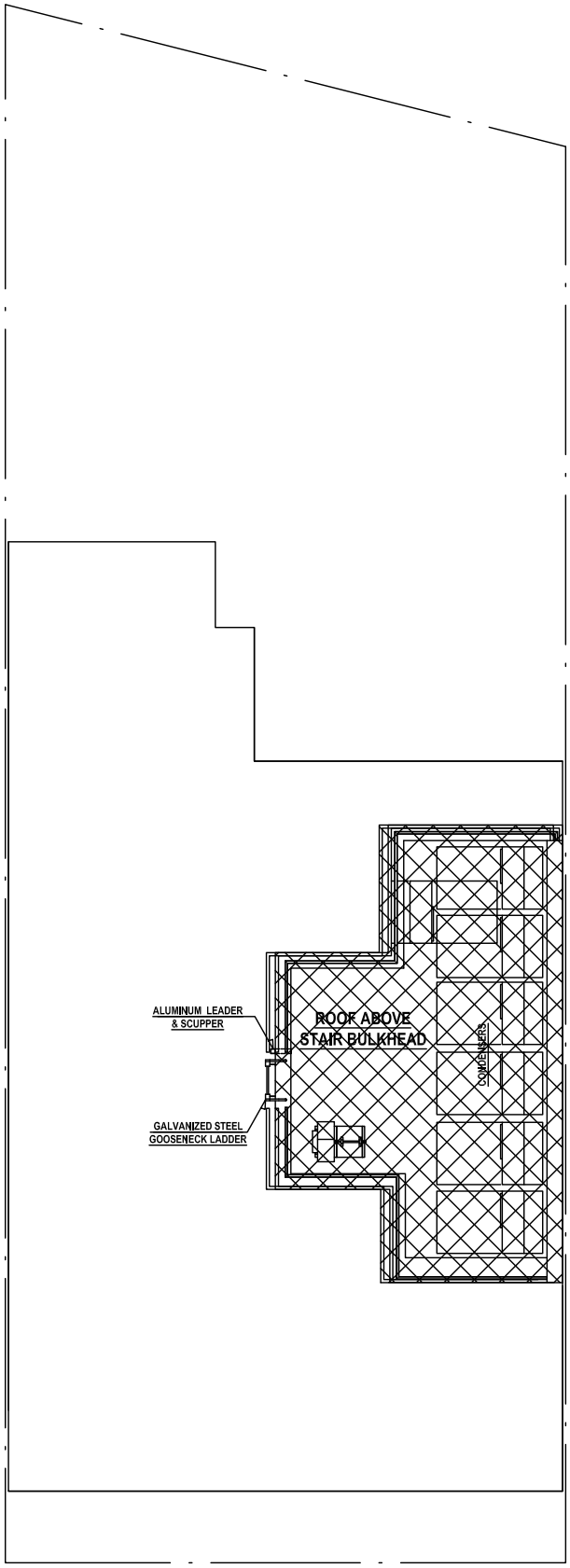
68 COMMERCIAL STREET, BROOKLYN, NY 11222



(REVISED: 09-15-2023)

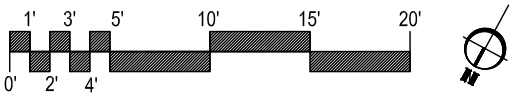
LEGEND

	DENOTES COMMON AREAS
	L.C.E.: DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
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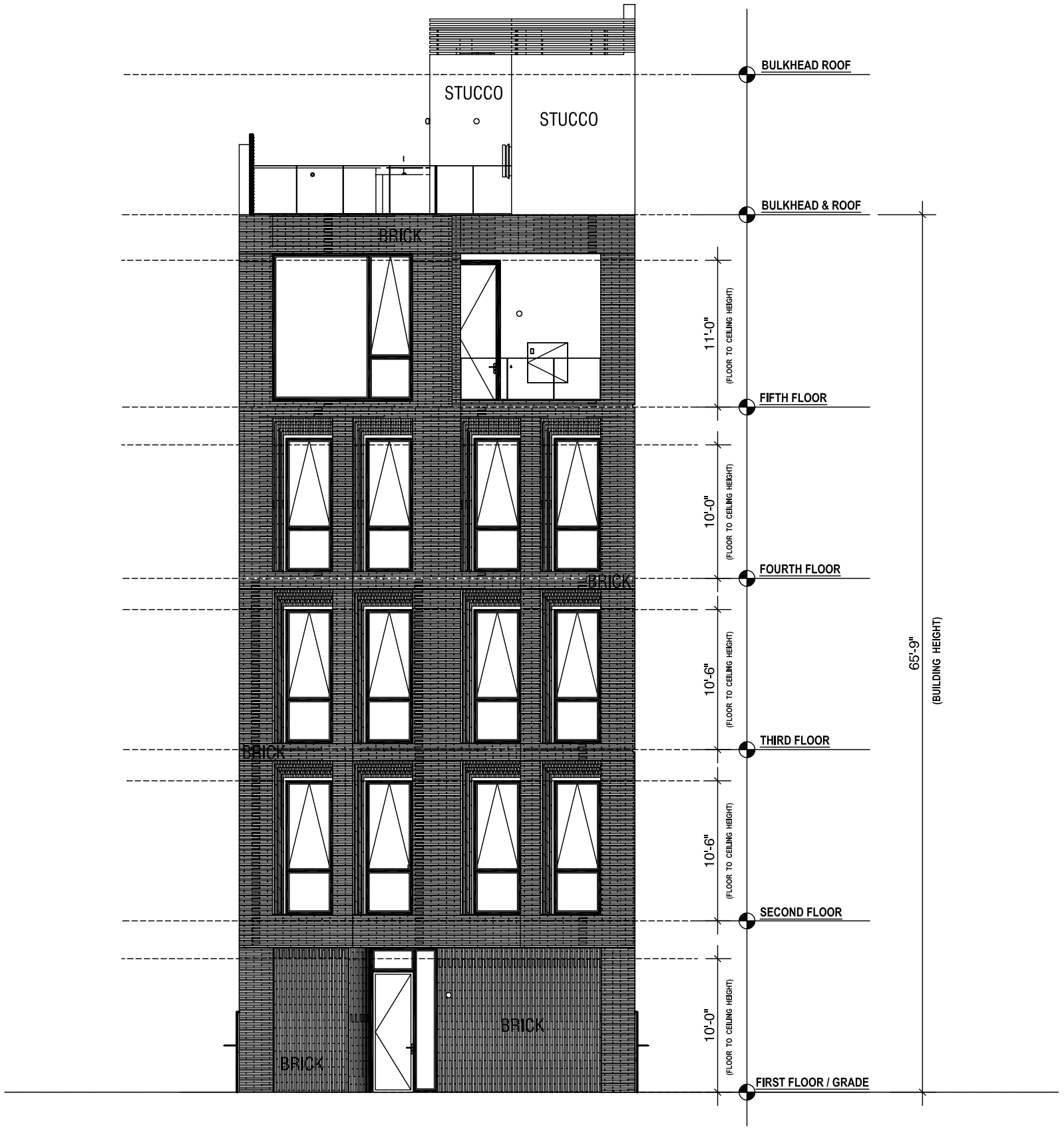
BULKHEAD ROOF PLAN

68 COMMERCIAL STREET, BROOKLYN, NY 11222



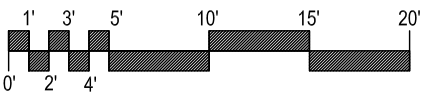
(REVISED: 09-15-2023)

LEGEND	
	DENOTES COMMON AREAS
	L.C.E.: DENOTES LIMITED COMMON ELEMENTS
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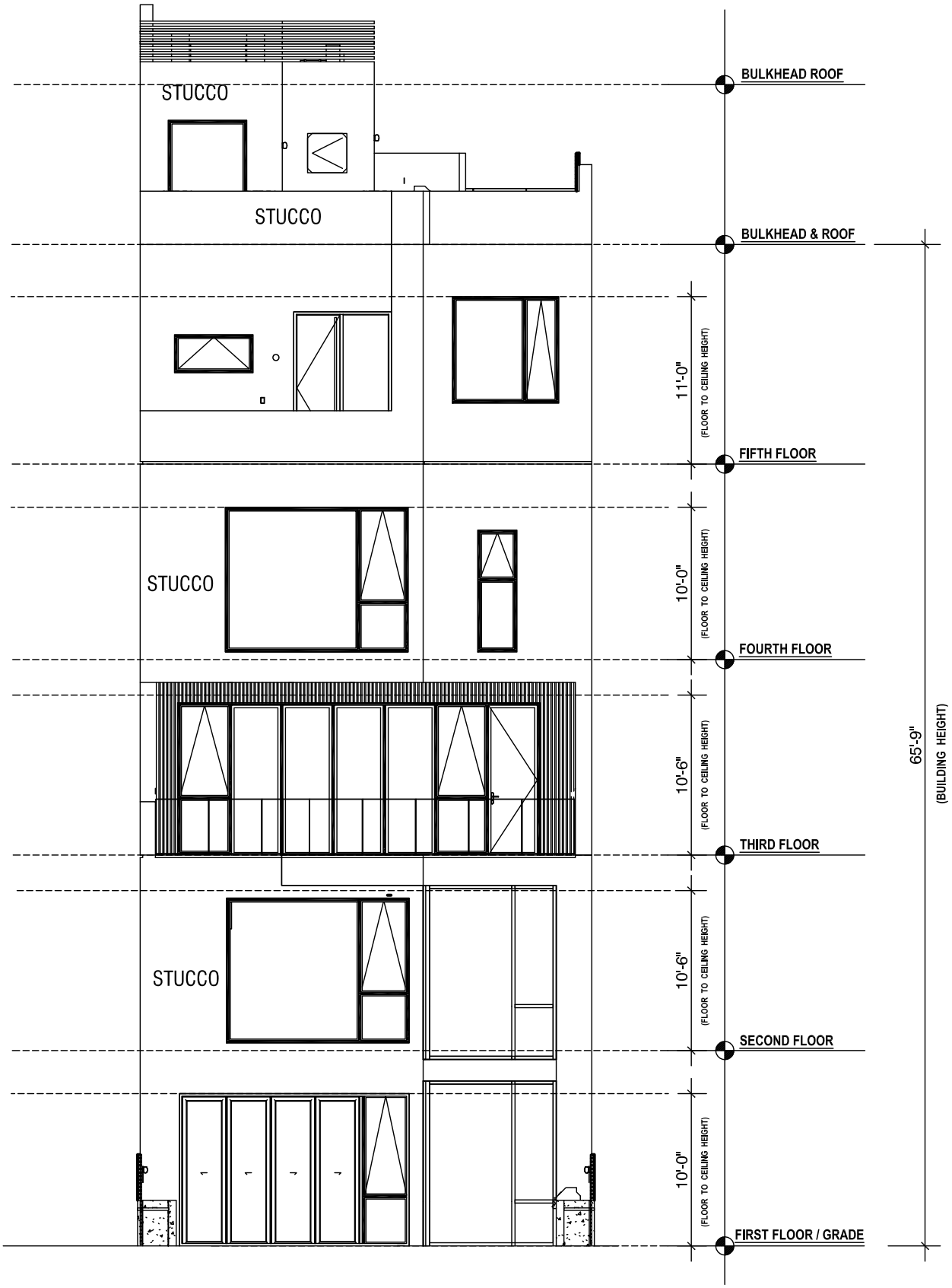


FRONT ELEVATION

68 COMMERCIAL STREET, BROOKLYN, NY 11222

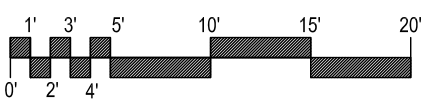


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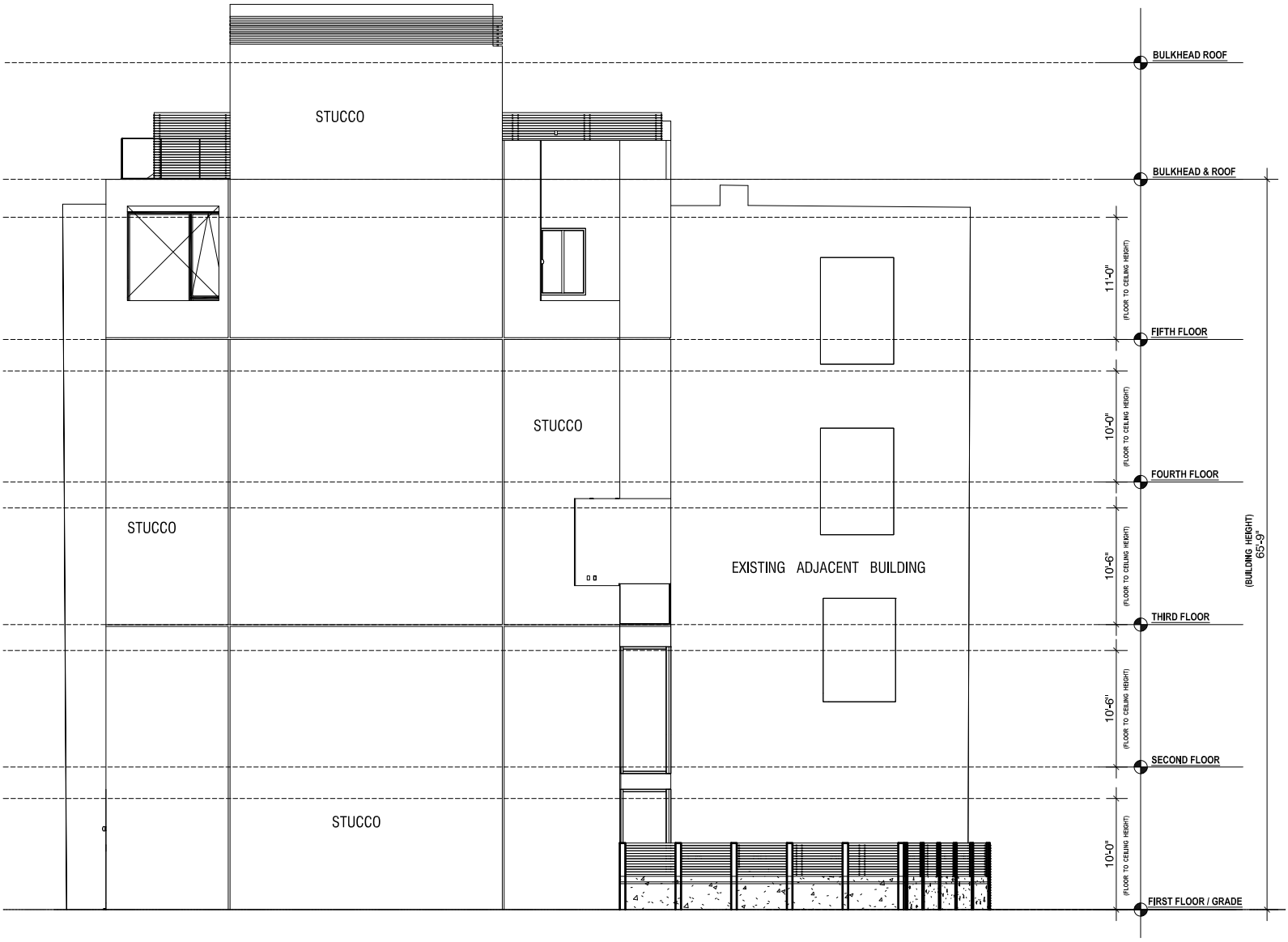


REAR ELEVATION

68 COMMERCIAL STREET, BROOKLYN, NY 11222



(REVISED: 09-15-2023)

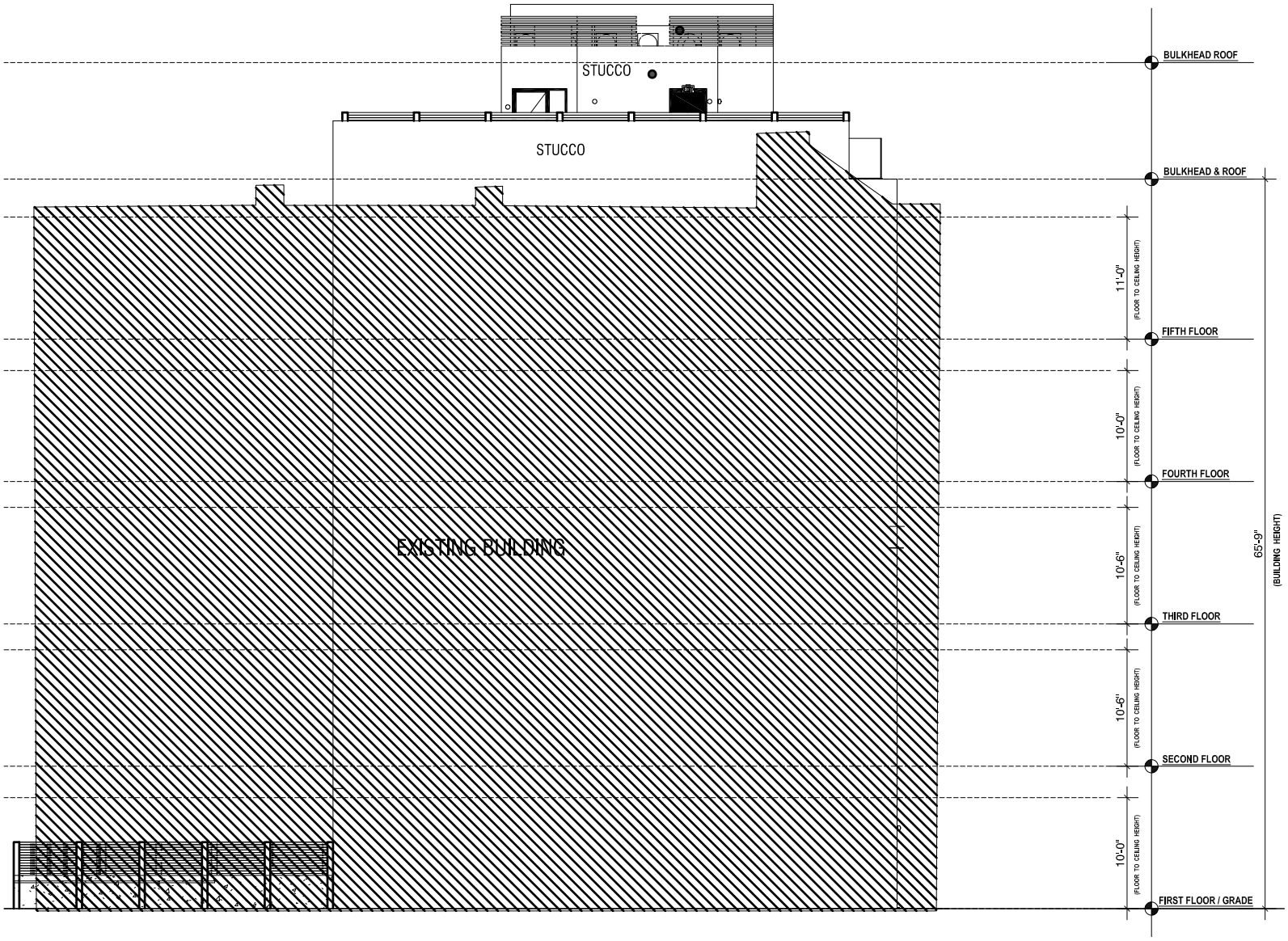


WESTERLY SIDE ELEVATION

68 COMMERCIAL STREET, BROOKLYN, NY 11222

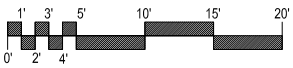
1' 3' 5' 10' 15' 20'
0' 2' 4'

(REVISED: 09-15-2023)



EASTERLY SIDE ELEVATION

68 COMMERCIAL STREET, BROOKLYN, NY 11222



(REVISED: 09-15-2023)

EXHIBIT F: DECLARATION AND BYLAWS

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
68 Commercial Street
Brooklyn, New York 11222

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
68 COMMERCIAL STREET CONDOMINIUM

Declarant:
68 Commercial Street, LLC
515 Rockaway Avenue

Valley Stream, New York 11581

The land affected by the within instrument lies in
Block 2482 formerly known as Lot 16
now known as Lots _____
on the Tax Map of the Borough of Brooklyn, City of New York

Attorneys for Declarant
Getler, Gomes & Sutton, P.C.
2 Executive Boulevard, Suite 410
Suffern, New York 10901
(845) 533-4475

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ARTICLE 7 DIMENSIONS OF UNITS 3

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DECLARATION
OF
68 COMMERCIAL STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

68 Commercial Street, LLC, a New York limited liability company, having an office at 515 Rockaway Avenue, Valley Stream, New York 11581 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

1.1 All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

1.2 In the event of a conflict between the terms and provisions contained in this Declaration, on the one hand, and the terms and provisions of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), 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 (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a Condominium to be known as the "68 Commercial Street Condominium" (the "Condominium').

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City of New York, County of Kings, and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 2,389 square feet.

ARTICLE 4
THE PROPERTY

4.1 Included in the Property described in Article 2 is a building consisting of three (3) Units (collectively referred to as the " Units" and individually, a " Unit"). The Residential Section consists of the Units, the Residential Common Elements and the Residential Limited Common Elements. The Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Unit is referred to as a "Unit Owner" and all the owners of the Units are herein collectively referred to as the " Unit Owners."

4.2 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

ARTICLE 5
THE BUILDING

The Building consists of one building with three (3) Units and the Common Elements (referred to as the "Building"). The Building is constructed of reinforced concrete frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footings. The floors in the Building are named (from bottom to top): Floors 1 through 5, Main Roof and Bulkhead Roof. The entrance to the Building is on Commercial Street. The Residential Section occupies a portion of the First Floor and Floors 2 – 5

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floor designation; tax lot number; approximate square foot area; approximate Terrace square foot area; and the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Buildings (the "Floor Plans") certified by StudiosC Architecture PLLC, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the Kings County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit, smoke detectors, all windows (including, without limitation, their panes, casements and frames) to such Unit, all plumbing, heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and any other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, heating fixtures and equipment as used in the preceding sentence shall include water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may

install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 The Units include all related Facilities exclusively serving the Units.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all of the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate floor area of each Unit has been measured horizontally from the outside face of the exterior walls of the Building to (a) the centerline of drywall or masonry partition for the corridor side of any corridor walls, (b) the internal side of the drywall or masonry partitions enclosing Common Element stairs, and (c) the internal side of any Common Element shafts, elevators and other mechanical equipment rooms. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit. Outdoor floor areas of Terraces, Gardens or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

7.2 Each Unit is measured vertically from the top of the concrete floor to the underside of the concrete slab, but not including such elements. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit.

7.3 The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's facade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant, or reduction in the price.

ARTICLE 8
COMMON ELEMENTS

8.1.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of the i) Residential Common Elements that serve or benefit exclusively the Units or the Unit Owners; ii) the Residential Limited Common Elements, which exclusively serve one or more, but not all, of the Units. The general common elements ("General Common Elements") are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements; the General Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mailbox, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box. The word "Facility" or "Facilities" does not include any portion of the Building that is specifically listed as a Unit, a Residential Common Element, or a Residential Limited Common Element.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.4 or 8.5), together with the exterior walls and roof of the Building.

8.3.3 The Mechanical Room, Electrical Room, Water Service Room, Fire Pump Room, and Retention Tank.

8.3.4 Any other Facilities in the Building which serve or benefit or are necessary

or convenient for the existence, maintenance, operation or safety of the Residential Section and are not a part of any Unit or Residential Common Elements.

8.4 The Residential Common Elements include the following:

8.4.1 Residential electric meters and panels, electric closets, feeders, risers and Facilities, and direct burial telephone cables serving exclusively the Residential Section.

8.4.2 Kitchen, bathroom and dryer exhaust ducts, corridor and Unit supply air ducts, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.4.3 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section.

8.4.4 Elevator and Stairs from First Floor to Roof.

8.4.5 Lobby, Package Room, and Egress.

8.4.6 The elevator and its shaft, pit, machine room and Facilities.

8.4.7 The elevator, and stairs, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Units, Residential Limited Common Elements or General Common Elements, including their concrete floor slabs and ceilings.

8.4.8 The elevator, shaft and related equipment and surrounding lobby, service halls and corridors.

8.4.9 All doors in the Residential Section, excluding doors opening from common corridors and providing entrance to Units, interior doors in the Units, and doors in a Unit (the excluded doors being considered part of the Unit).

8.4.10 Window glass in the Residential Section which is not part of a Unit.

8.4.11 Heating and air conditioning units for the Units consisting of a fan, motor, ductwork, piping and controls.

8.4.12 Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vent and soil stacks, gas risers, electric risers, and shafts serving the Units.

8.4.13 All mechanical and other rooms, areas and indoor and outdoor spaces located at the Property serving exclusively the Residential Section and which are not General Common Elements or part of any Unit.

8.4.14 All other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.4.15 Notwithstanding anything to the contrary in this Article 8, if a Residential Common Element benefits only certain Unit Owners, then the Residential Section's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Unit Owners who benefit from the Residential Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interests of all benefiting Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation, maintenance and repair of any such Residential Common Element at their sole cost and expense.

8.5 The Residential Limited Common Elements consist of the following:

8.5.1 Certain portions of the Residential Common Elements that are limited and further restricted in use to the owners of the Units to which such Residential Limited Common Elements are appurtenant, including terraces and balconies (collectively, "Terraces") appurtenant to certain Units and the Residential Section, subject to the right of the Condominium Board or Committee to enter upon any such Residential Limited Common Element to make structural repairs or structural replacements to said Residential Limited Common Element or any other Common Element contained therein, and subject to the Rules and Regulations of the Condominium. The Unit Owners shall be responsible for washing the interior side of any and all windows in their Unit, and replacing broken windows in their Unit unless the glass was broken through the negligence of the Condominium Board or the Committee or their agents, in which case the cost or replacement shall be borne by the Unit Owners as a Residential Common Expense. In the event of a replacement of all windows in the Units, each Unit Owner shall bear the cost of the windows to be installed in their Unit.

8.5.2 That portion of equipment, fixtures or Facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Residential Limited Common Elements shall have the exclusive right to use such Residential Limited Common Elements and shall be responsible for their normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.5.3 All other Facilities exclusively serving one or more but not all Units, excluding the Units, the Residential Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

8.5.4 All normal and ordinary maintenance, repair and replacement of Residential Limited Common Elements (i.e., cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Unit Owner(s) having the exclusive use thereof. The exterior surface of all windows in the Condominium, if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. Structural or extraordinary repairs to the slab beneath the Residential Limited Common Elements will be borne by the Unit Owners as a Residential

Common Expense, unless the repair is necessitated by the negligence of the Unit Owner having exclusive use thereof.

The Condominium Board and its agents and employees, including the landscape installer and servicer, will have easements to enter the Units and access the Terraces for maintenance, repair and replacement of the Units and Common Elements (including, without limitation, seasonal startup and shutdown maintenance and periodic maintenance of the landscaped areas, maintenance of Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or use of any Terrace as a platform for window washing equipment).

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 Use of Units.

9.1.1 As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws expressly provided, Units may generally be used only for residential purposes and, subject to compliance with this Declaration and the By-Laws, for lawful home occupation as defined in the Zoning Resolution, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Unit and complies with all applicable governmental regulations. Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Units may only be occupied by (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, entity, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s)

including, but not limited to services such as Air BnB.

9.1.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Unit as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Laws.

9.2 Except as otherwise provided in the By-Laws, the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

(a) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

(b) No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All applicable Laws relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owner(s) or Board(s) shall have the obligation pursuant to the Declaration, and the By-Laws to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE UNITS

10.1 Except to the extent prohibited by Law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 9.1 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Common Element as part of a newly created Unit or Limited Common Element, or designate all or part of a Unit as a newly created Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all Laws, ordinances and regulations of all governmental authorities

having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units.

10.2 Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the Managing Agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the Managing Agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

ARTICLE 11
CONDOMINIUM GOVERNANCE

11.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

11.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable Law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable Law requires that there be a Condominium Board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

12.1 The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit. The aggregate Common Interest for all Units is 100%.

12.2 The percentage interest of each Unit in the Residential Common Elements is apportioned in the same proportion that the Unit bears to the Common Interests of all Units.

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any Taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14
ACCESS TO COMMON ELEMENTS

14.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing utilities including, but not limited to utilities for electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board or its agents, to the extent the Board are permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 15 shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Unit for their permitted purposes. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an

Emergency.

14.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of the Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units.

ARTICLE 15
EASEMENTS AND NAME OF CONDOMINIUM

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Residential Common Elements. The Residential Section shall be subject to such easement. Except as set forth in this Declaration.

15.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Residential Section as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency including but not limited to an easement for Emergency access through and over the fire stairs in the Building. The Residential Section shall be subject to such easement.

15.3 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Residential Common Elements or Residential Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units, the Residential Common Elements; or the Residential Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any section or with the use of the Units for their permitted purposes and provided, further, that the easement to penetrate below the floor for pipes, ducts and similar installations is limited to the area which is not shaded on the Floor Plan as set forth in the Plan. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an Emergency. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry.

15.4 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

15.5 Declarant or its designee and its successors and assigns shall, to the extent permitted by Law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising the sale or lease of any Unsold Unit.

15.6 Declarant for so long as it shall own any Unsold Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, steam, ventilation, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Declarant, the Unit Owner or the Condominium Board, as the case may be, 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 appropriate Units, or to complete the Building pursuant to the Plan, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on or with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business carried on or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

15.7 Declarant shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace (i) Satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Residential Common Elements or Residential Limited Common Elements, and (ii) ventilation shafts on the exterior of the Buildings, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants or with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency.

15.8 In addition to the foregoing, the following easements shall remain in effect as long as the Building remains a Condominium:

15.8.1 The Condominium shall have an easement through the ceiling of the Units for the Building's HVAC pipes and riser control valves; the pipes to the bathrooms and kitchens; and electrical wiring.

15.8.2 The Units shall have an easement for: water and sewer lines, vents and drains; fire sprinklers; electrical lines from the switchgear; telephone and electrical lines; HVAC conditioned water and distribution pipes; drain lines and electrical service.

15.9 The Condominium and the Building shall be designated and known as "68 Commercial Street Condominium." For so long as Declarant owns any Units in the Building, only the Declarant shall have the right to change or assign the name of the Condominium and/or the Building.

15.10 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units.

15.11 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, except that no notice will be necessary in the case of an Emergency, in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at Law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Owner or any rules and regulations adopted by the Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

15.12 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

15.13 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain

in existence.

ARTICLE 16
POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose 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 Condominium Board 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 Units 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 Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Property or the Common Elements which the Condominium Board deems necessary or appropriate.

16.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

16.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to the Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation.

ARTICLE 17
ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or

lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

17.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18
COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 18, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as

covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

18.3 Subject to Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19
AMENDMENTS OF DECLARATION

19.1 All references in this Article 19 to the "Declaration" shall mean and include the Declaration and/or the By-Laws attached hereto (whether or not the By-Laws are expressly indicated). Subject to the provisions contained herein with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units and any rights of the mortgage holders (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Unit Owners may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the foregoing provisions of this Section 20.1 and the rights of Declarant or its designee, Articles 9, 10 and 11 of this Declaration may not be amended, modified, added to or deleted unless 80% in number and in Common Interest of all Unit Owners affected thereby, or if only Units are affected, 80% in number and in Common Interest of such Unit Owners, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board or the Unit Owners. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Board to make the changes described in this Section 19.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

19.3 Notwithstanding anything to the contrary contained in Article 19 above:

19.3.1 No amendment shall be adopted which would: (i) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit; (iii) abridge, modify, suspend, eliminate or otherwise adversely affect any right, power, easement, privilege or benefit reserved to the Declarant or its designee (as owner of a Unit); or (iii) impose any discriminatory charge or fee against the Declarant or its designee, and no such amendment shall be effective against the Declarant or such designee or their Units, unless the Declarant or such designee shall, in each instance, consent thereto, by joining in the execution of such amendment;

19.3.2 No amendment shall be adopted which would change the permitted use of any Unit or such Unit's Common Interest and no such amendment shall be effective against such Unit or such Unit Owner, unless the Unit Owner of such affected Unit shall consent thereto by joining in the execution of such amendment.

19.3.3 No amendment, modification, addition or deletion of this Declaration shall be effective without the written consent of each Permitted Mortgagee of Declarant.

19.4 The Declarant shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Board or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Declarant's sole option, to require the Board or any other Unit

Owners to execute, acknowledge and record) in the City Register's Office and elsewhere, if required by applicable Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such other documents, plans and maps the Declarant deems appropriate: (a) to reflect any change in the Unsold Units and/or the reapportionment of the respective Common Interests of the affected Units resulting therefrom made by the Declarant in accordance with the terms of Article 10 hereof and to file any amended Floor Plans required by the New York Real Property Law Section 339-p in connection therewith and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the Condominium Act; or (b) if required by (i) an institutional lender designated by the Declarant to make a loan secured by a mortgage on any Unsold Unit, (ii) any governmental agency having regulatory jurisdiction over the Condominium or (iii) any title insurance company selected by the Declarant to insure title to any Unit; *provided*, *however*, that any amendment made pursuant to the terms of this Section 19.4 shall not (x) change the Common Interest of any Unit other than a Unit owned by the Declarant or (y) require a material, physical modification of any Unit other than a Unit owned by the Declarant, unless the Unit Owner of such affected Unit consents thereto by joining in the execution of such amendment, or (z) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender unless the holder of such mortgage consents thereto by joining in the execution of such amendment. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office.

19.5 In addition, a copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State. Any amendment to this Declaration may be executed: (a) if on behalf of the Declarant, only by a person authorized by, or having authority to act on behalf of the Declarant; or (b) if on behalf of the Unit Owners, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium Board. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which certification shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting. Notwithstanding the foregoing, the Condominium Board shall sign and acknowledge any amendment permitted to be signed and acknowledged by the pursuant to this Declaration and the By-Laws, if requested to do so by the Declarant. Any person authorized to sign, acknowledge and record an amendment to this Declaration is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other governmental authority having jurisdiction) and in the City Register's Office any appropriate amendments to the Floor Plans whenever required in connection with such amendment to this Declaration (such as in the case of an amendment to this Declaration to reflect a Unit subdivision or Unit combination pursuant to Articles 10. A conformed copy of any amendment to the Condominium Documents shall be filed promptly with the Secretary or Assistant Secretary of the Condominium or the Condominium's Managing Agent by the applicable person recording the amendment and shall be made available by the Condominium Board at the Property or the office of the Managing Agent for inspection (without

charge) and copying (at a reasonable charge) by all Unit Owners, Mortgage Representatives, if any, and prospective Purchasers, mortgage lenders or tenants and authorized representatives of each of the foregoing. Each person authorized to sign an amendment to this Declaration shall be deemed to execute such amendment as attorney-in-fact for the Unit Owners, coupled with an interest and granted for valuable consideration for such purpose.

ARTICLE 20
TERMINATION OF CONDOMINIUM

20.1 The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all the Units, provided that in no event shall Declarant's consent be required more than five years after the First Closing pursuant to the Plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens. Notwithstanding anything to the contrary, no termination of the Condominium shall be effective without the written consent of each Permitted Mortgagee of Declarant.

20.2 To the fullest extent permissible under the Law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 21
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium and the Residential Section. The Secretary of State shall be directed to mail a copy of any process served to the President of the Condominium Board of 68 Commercial Street Condominium, 68 Commercial Street, Brooklyn, New York 11222.

ARTICLE 23
CERTAIN REFERENCES

23.1 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.

23.2 The terms "herein," "hereof' or "hereunder" or similar terms used 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.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

23.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

23.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

23.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

23.7 The term "laws" and/or "regulations of governmental authorities" and words of like import shall mean the laws, statutes, treaties, rules, codes, ordinances, regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit of any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

23.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

23.9 All references to the "By-Laws" in this Declaration shall include the Rules and Regulations promulgated thereunder, unless the context otherwise requires.

23.10 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.

ARTICLE 24
SEVERABILITY

Subject to the provisions of 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 25
COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (a "Required Action").

25.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or does not object to same within the aforementioned ten (10) business days then, the Condominium 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. Any objection by a Unit Owner as to whether or not a request involves a Required Action shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium 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.

25.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the General Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the General Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner and to any Permitted Mortgagee in accordance with Article 7 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Defaulting Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

25.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by Law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or. Declarant has not given and the Board has relied on or bargained for any such warranties. In no

event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

ARTICLE 26
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, its and designee may be, 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.

ARTICLE 27
CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall Declarant nor any Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or affiliate of Declarant, any Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

ARTICLE 29
SIGNAGE

29.1 No signs ("Signage") shall be erected on any part of the Property except in compliance with the provisions of this Article 29. All rights of a Unit Owner to erect Signs set forth herein shall be subject to the compliance with the conditions set forth in this Article 29 and such other conditions as the Board may from time to time impose (collectively, the "Signage Conditions"). All such Signs shall be installed, erected, operated, maintained and all repairs and alterations thereto shall be performed by the Unit Owner thereof in compliance with the provisions of any easements and other agreements of record in connection with the erection and maintenance of such Signs. Without limiting the generality of the foregoing, each Unit Owner shall be solely responsible for its Signage meeting the requirements of all applicable Law, including, without limitation, the New York City Building Code and the Zoning Resolution and other business improvement district guidelines, and for their fitness and suitability for their intended use and purpose. The Condominium Board may waive any Signage Condition, unless such waiver would

violate applicable Law or any easements or other agreements of record relating to Signs on the Property.

ARTICLE 30
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

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IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20___.

68 COMMERCIAL STREET, LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

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(s) whose name(s) is (are) subscribed to the within instrument and 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 upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

DESCRIPTION OF THE UNITS

68 Commercial Street Condominium

68 Commercial Street
Brooklyn, New York 11222

Tax Block Number 2482
Lot Number 16

Unit Designation	Unit Approximate Size in Square Feet	Limited Common Element Approximate Size in Square Feet	Tax Lot Number	Common Interest (%)	Location in Building	Common Elements to which Unit has access
Unit 1	773 1,173 1,946				First Floor Second Floor	Hallway/Elevator
Unit 2	1,097				Third Floor	Hallway/Elevator
Unit 3	1,259 978 73 2,310				Fourth Floor Fifth Floor Stair @ Roof	Hallway/Elevator
TOTAL:				**100.0000**		

EXHIBIT C

DEFINITIONS

"Access Costs" shall have the meaning ascribed thereto in Section 16.12 of the Declaration.

"Adversely affect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) materially obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Agreement" refers to an agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Alteration" shall have the meaning ascribed thereto in Section 6.13 of the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.2 of the By-Laws.

"Appurtenant Interest" shall have the meaning ascribed thereto in Section 16.1 of the Declaration.

"Arbitration" refers to the process described in Article 11 of the By-Laws.

"Award" shall have the meaning set forth in Section 9 of the By-Laws.

"BCL" shall have the meaning ascribed thereto in Section 2.13.1 of the By-Laws.

"Board" refers to the Condominium Board.

"Board Member" shall have the meaning ascribed thereto in Section 2.13.1 of the By-Laws.

"Budget" refers to the Annual Budget or any other budget prepared in accordance with the By-Laws, as applicable.

"Building" refers to the structures and improvements including above and below grade segments, known as 68 Commercial Street, Brooklyn, New York in which the Units of the Condominiums are located.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"By-Laws" refers to the By-Laws governing the operations of the Condominium.

"City" refers to the City of New York.

"City Register's Office" refers to the Kings County Office of the Register of The City of New York.

"Claim" shall have the meaning ascribed thereto in Section 2.13.2 of the By-Laws.

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" shall have the meaning ascribed thereto in Section 6.1.1 of the By-Laws.

"Common Elements" refer to the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements.

"Common Expenses" refer to the costs and expenses incurred from General Common Expenses and the Residential Common Expenses.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Condominium" refers to 68 Commercial Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" refers to the board of managers of the Condominium Unit Owners.

"Condominium Documents" refers to this Declaration, By-Laws, Floor Plans and any other documents governing the Condominium.

"CPI Increase Factor" shall have the meaning ascribed thereto in Section 12.3.4 of the By-Laws.

"Declarant" refers to 68 Commercial Street, LLC, a New York limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to this instrument creating the Condominium, as the same may be amended from time to time.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 25.3 of the Declaration.

"Default Rate" shall mean four percent (4%) interest per annum.

"Depository" shall have the meaning ascribed thereto in Section 12.5 of the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 6.5 of the Declaration.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Emergency Repairs or Replacements" shall mean repairs or replacements to the Building to abate an emergency and to protect any person from death or serious injury.

"Enterprise" shall have the meaning ascribed thereto in Section 2.13.2 of the By-Laws.

"Environmental Laws" shall have the meaning ascribed thereto in Section 6.16.4 of the By-Laws.

"Exercising Party" is defined in Section 15.11 of the Declaration.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Annual Meeting" shall have the meaning contained in Section 2.3.2.2 of the By-Laws.

"First Closing" refers to the date fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" shall have the meaning ascribed thereto in Section 6.1 of the Declaration.

"General Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Hazardous Materials" shall have the meaning ascribed thereto in Section 6.16.4 of the By-Laws.

"Impacted Owner" shall have the meaning ascribed thereto in Section 15.11 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 25.3 of the Declaration.

"Initial Control Period" shall have the meaning ascribed thereto in Section 2.2.7 of the By-Laws.

"Inspectors of Election" shall have the meaning ascribed thereto in Section 3.8.5 of the By-

Laws.

"Land" refers to the Property, other than the Building and the appurtenances thereto.

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Lawsuit" shall have the meaning ascribed thereto in Section 2.13.12 of the By-Laws.

"Legal Requirements" shall mean all Laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Limited Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Maintenance" or "Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

"Managing Agent" refers to the managing agent or manager of the Residential Section or of the Condominium, as applicable, at the time in question.

"Mortgage" shall have the meaning ascribed thereto in Section 6.2.8 of the By-Laws.

"Mortgage Representative(s)" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Non-Occupying Owner" shall have the meaning ascribed thereto in Section 6.4.6 of the By-Laws.

"Occupancy Plan" shall have the meaning ascribed thereto in Section 9.1.1 of the Declaration.

"Offeree Unit Owner" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Opposing Party" shall have the meaning ascribed thereto in Section 6.13.1 of the By-Laws.

"Outside Offer" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Payments" shall have the meaning ascribed thereto in Section 6.4.6.1 of the By-Laws.

"Permitted Mortgage" refers to (i) any mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws, for which notice has been provided to the Board (except that no notice shall be required to be provided by any Permitted Mortgagee of Declarant), and (ii) any pledge of direct or indirect ownership interests in the Declarant, as applicable, to secure mezzanine financing or preferred equity financing.

"Permitted Mortgagee" shall mean each holder of a Permitted Mortgage.

"Permitted User(s)" refers to any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent) guest, tenant, occupant, customer, invitee, licensee, contractor, Mortgagee or any other Person related, affiliated or designated by the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements, subject to the terms of the Declaration and the By-Laws, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Declaration and the By-Laws.

"Person" or "Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Plan" refers to the offering plan for the establishment of Condominium ownership, as the same may be amended from time to time.

"Projected Budget for First Year of Operation" refers to the Budget contained in Schedule B to the Plan.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Proponent" shall have the meaning ascribed thereto in Section 6.13.1 of the By-Laws.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in an Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Declarant.

"Remedy Notice" has the meaning specified in Section 25.3 of the Declaration.

"Required Action" has the meaning specified in Section 25.1 of the Declaration.

"Required Documentation" shall have the meaning ascribed thereto in Section 6.11.5 of

the By-Laws.

"Committee" refers to the Members of the Condominium Board whenever, if ever, as elected by the Condominium Board.

"Residential Common Charges" refer to assessments payable to the Condominium Board by Unit Owners for the purpose of meeting the cost of the Residential Common Expenses.

"Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners.

"Residential Common Expenses" refer to the costs and expenses incurred or projected in connection with repair, maintenance, replacement, restoration, improvement, alteration and addition of and to the Residential Common Elements or in connection with any services or facilities exclusively benefiting the Residential Section or the Unit Owners.

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners.

"Residential Section" refers to the Units, the Residential Common Elements and the Residential Limited Common Elements.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are, collectively, referred to as the "Residential Units".

"Residential Unit Owner" refers to any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owners".

"Resident(s)" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Rules and Regulations" collectively refers to the Rules and Regulations of the Condominium, together with all modifications, amendments or additions thereto.

"Satellite" or "Satellite Antenna" refers to an antenna and related satellite/telecommunications equipment together with transmission lines, communication facilities and similar related equipment including without limitation facilities for the operation of such Satellite Antenna and transmission of information received or transmitted from the Satellite Antenna to a location elsewhere in the Building.

"Schedule A" refers to "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

"Schedule B" refers to the projected "Budget for the First Year of Condominium Operation, Schedule B" set forth in Part I of the Plan.

"Signage" shall have the meaning ascribed thereto in Section 29 of the Declaration.

"Signage Conditions" shall have the meaning ascribed thereto in Section 29 of the Declaration.

"Sponsor" refers to 68 Commercial Street, LLC, a New York limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Taking" shall have the meaning set forth in Section 9 of the By-Laws.

"Tenant" or "tenants" shall refer to all tenants, such tenant's subtenants, successors, assigns or other occupants of the Building.

"Terrace" shall refer to the terraces and balconies in the Units.

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the Non-Residential space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements and, as the case may be, in the Residential Common Elements or the Residential Limited Common Elements. All of such Units are collectively referred to as "Units".

"Unit Owner" refers to any Unit Owner, and all of such Unit Owners are collectively referred to as the "Unit Owners".

"Unit Owner Expense" are those expenses incurred on behalf of a Unit Owner, which expenses are expressly provided to be "Unit Owner Expenses" under the terms of the Declaration or the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred.

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee, or a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee, or a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Waiver Period" shall have the meaning ascribed in Section 6.1.3 of the By-Laws.

"Waiver Period Operating Expenses" is defined in Section 6.1.3 of the By-Laws.

"Zoning Resolution" refers to the New York City Zoning Resolution of 1961, as same may be amended from time to time.

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EXHIBIT D

BY-LAWS

OF

68 COMMERCIAL STREET CONDOMINIUM
68 COMMERCIAL STREET
BROOKLYN, NEW YORK _____

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11.1 Any dispute, claim or controversy arising out of or relating to the Declaration and By-Laws by the Unit Owners (individually, a "Party", collectively, the "Parties") shall be determined by Arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in the Declaration and By-Laws, the Arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and

Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction. 52
11.2 Within five (5) days of filing an Arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser. 52
11.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses. 52
11.4 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the Arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision. 52

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BY-LAWS

68 COMMERCIAL STREET CONDOMINIUM

ARTICLE 1
GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 68 Commercial Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 2,389 square feet of land (the "Land") which forms a part of Block 2482 Lot 16 on the Tax Map of the Borough of Brooklyn, City of New York, County of Kings and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be, including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the City Register's Office, together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Brooklyn, County of Kings reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2
BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a Condominium Board of the Condominium (the "Condominium Board").

2.1.2 During the Initial Control Period the Condominium Board shall consist of the three (3) persons appointed by the Declarant. During the Initial Control Period, Declarant reserves the right to designate fewer than two (2) persons to the Condominium Board.

2.1.3 From and after the First Annual Meeting called after the end of the Initial Control Period the Condominium Board shall consist of three (3) persons; three (3) persons elected by the Unit Owners (including the Declarant) who shall also be the Committee of the Condominium Board, subject to Declarant's rights pursuant to paragraph 3.9.3.

2.1.4 After the Sponsor no longer holds a seat, each Unit Owner shall be entitled to one (1) seat on the Board. Notwithstanding this, where a single Unit has multiple Unit Owners, only one Unit Owner may be a member of the Board. No Unit Owner may have more than one seat.

2.1.5 Except as otherwise provided herein, members of the Condominium Board shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board Member may serve.

2.1.6 The Condominium Board is herein sometimes referred to as the "Board".

2.1.7 Except for Board Members elected or designated by Declarant or its designee (a) all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or the spouse of individual Unit Owners. Other than Board Members elected or designated by Declarant or its designee no Board Member shall continue to serve after ceasing to be qualified as set forth above.

2.1.8 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board Member by a majority vote of the other Board Members, if such Unit Owner or the owner of the Unit in which the Board Member resides is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid or the Unit Owner's Unit offered for sale. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.1.9 Notwithstanding anything contained herein to the contrary, decisions affecting the Units shall be made by the Condominium Board.

2.2 **Powers and Duties.**

2.2.1 The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All determinations, however, which affect only the Units, shall be made by the members of the Condominium Board or (b) do not adversely affect the Units or the use of the Units for their permitted purposes. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Section and adversely affect any Common Elements, or (ii) relate to any Common Elements and adversely affect the Residential Section, or (iii) relate to or affect the General

Common Elements, shall be made by the Condominium Board Subject to the provisions of 2.2.1 and without limiting the generality thereof:

2.2.1.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.1.1(a) Operation, care, upkeep, maintenance, repair and replacement of the General Common Elements, including contracts for utilities, services and supplies;

2.2.1.1(b) The amount of Common Charges.

2.2.1.1(c) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements.

2.2.1.1(d) Adoption of, and amendments and additions to, the Condominium's Rules and Regulations.

2.2.1.1(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.1.1(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.1.1(g) Enforcing obligations of the Unit Owners.

2.2.1.1(h) Levying fines against Unit Owners for violations of the Condominium's Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner or Board against which they are levied).

2.2.1.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.1.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves either the Residential Section or the General Common Elements, as set forth in 6.2.

2.2.1.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the General Common Elements; provided, however, that (i) the consent of at least 51% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency Repairs or Replacements, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the

Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.1.1(l) Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.1.1(m) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.1.1(n) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.1.1(o) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of 6.2.

2.2.1.1(p) Operation, maintenance and supervision of all Residential Common Elements and Residential Limited Common Elements.

2.2.1.1(q) Purchasing or leasing, in the name of the Board, space for the storage of personal property of Unit Owners, and in connection therewith, licensing such space to Unit Owners and the promulgation of conditions, rules and regulations for the operation and supervision thereof. Notwithstanding the foregoing, Declarant will have the right to cause the Board to license any Storage Bins that are not already licensed to a Unit Owner or acquired by the Board and Declarant shall retain any purchase price paid for the Storage Bins for which the Board grants such licenses.

2.2.1.1(r) Imposition of (i) move-in fees and charges, (ii) transfer fees in connection with the sale or lease of a Unit, and (iii) fines for violating the Rules and Regulations, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant or any Declarant Designee.

2.2.1.1(s) Commencement of summary eviction proceedings in the name of or on behalf of the Board and/or Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws.

All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.1.1(t) Carrying out any other duties imposed upon the Board pursuant to the Declaration and these By-Laws.

2.2.2 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own any of the Units but in no event later than five years from the First Closing of a sale made under the Plan, neither the Condominium Board nor the Committee may, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements, the Residential Common Elements or to the Residential Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected Budget for the Condominium or Residential Section or otherwise provide services in excess of those contemplated by such projected Budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Residential Section; (v) assess any Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.4 Neither the Condominium Board nor the Committee, if any, shall bring any litigation except to enforce the terms of the Declaration or By-Laws without first receiving the written approval of the owners of three-quarters of the Units and the owners of three-quarters of the percentage interests in the Common Elements.

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period which shall end upon the earlier to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in that certain Plan for the sale of Units at the Condominium); or (b) the closing of title by Sponsor or its designees of all the Units (the "Initial Control Period"), the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Laws, statutes and ordinances, including, without limitation, environmental Laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City

Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B, — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Units have all been sold less than five percent (5%) of the Common Interest, whichever is sooner.

2.2.6 The Condominium Board, as to the Common Elements, and the Unit Owners, as to each Unit Owner's Unit, shall perform all routine inspections, maintenance, repairs and replacements required by the owner's manual and their professional advisors.

2.3 **Managing Agents and Managers.** With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a Managing Agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in 2.2.2.1(b), (e), (h), (1), (m), (n), (o) and (p).

2.3.2 **Board**.

2.3.2.1 **First Board**. During the Initial Control Period, the Condominium Board shall consist of the three (3) persons appointed by the Declarant.

2.3.2.2 **Later Board**. Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at

which time the Unit Owners will elect three (3) members to the Condominium Board. Each member of the Condominium Board shall have an equal vote.

2.4 **Resignation and Removal.** Any Board Member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board from which such member is resigning. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of 3.9.3, any Unit Owner member of the Board may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present. Any Board Member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member. A Board Member, who fails to attend three consecutive meetings of the Board or five meetings in any twelve month period or who ceases to be a Unit Owner or who is more than two months in arrears in paying Common Charges and assessments shall be deemed to have resigned from the Board.

2.5 **Vacancies.** Subject to the provisions of 3.9.3, any vacancy of the members of the Board for whatever reason shall be filled by the remaining Members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board Member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.6 **Organizational Meetings of the Board.** The first meetings of the Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.7 **Regular Meetings of the Board.** Regular meetings of the Board may be held at such time and place in the Borough of Brooklyn, County of Kings as shall be determined from time to time by a majority of the members thereof, provided that in the case of the Board, at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or telegram, at least five (5) business days prior to the day named for such meeting. Unit Owners or their representatives may only attend Board meetings with the prior written approval of the Board.

2.8 **Special Meetings of the Board.** Special meetings of the Board may be called by the President or Vice President of the Board by giving five (5) business days' prior notice to each member of the Board by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Brooklyn, County of Kings) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at

least two members of the Board.

2.9 **Resolutions of the Board.** The Board shall cause to be promptly delivered to the Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.10 **Waiver of Notice.** Any Board Member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.11 **Determinations by Board; Quorums.**

2.11.1 Except as otherwise set forth in 2.11.3, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Condominium or Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at the Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone 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. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.12 **Compensation.** No member of the Board shall receive any compensation for acting as such.

2.13 **Indemnification of Board Parties.**

2.13.1 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the board (each, a "Board Member", collectively, the "Board Members") and officers of the Condominium to the same effect as though the Condominium were a corporation and the Board Members and officers of the Condominium were respectively a board of directors and officers of such corporation.

2.13.2 Indemnity. The Board on behalf and as agent of the Unit Owners shall indemnify to the fullest extent provided in the BCL, the Board Members and officers of the

Condominium, 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 Board or any corporation of any type or kind, or any partnership, limited liability partnership, limited liability company (a "Claim"), joint venture, trust, employee benefit plan or other enterprise, whether domestic or foreign (each an "Enterprise"), which such Board Member or officer or other person on behalf of the Board heretofore or hereafter served in any capacity at the request of the Board, by reason of the fact that such person, whether testate or intestate, was a Board Member or officer, or served such other Enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees and disbursements actually and necessarily incurred as a result of the threat of, the commencement of and/or the continuation of such action or proceeding, or any appeal therein, if such Board Member or officer acted, in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium and, in criminal proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

2.13.3 No Presumption. The termination of any such civil or criminal proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Board Member or officer did not act in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium or that such person had reasonable cause to believe that his or her conduct was unlawful.

2.13.4 Expenses. Expenses incurred in defending a civil or criminal action or proceeding by a Board Member, officer or other person to be indemnified under this Article shall be paid by the Board on behalf and as agent of the Unit Owners in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such Board Member, officer or other person to repay such amounts as, and to the extent, required by BCL Section 725(a). The indemnification provided by the preceding Section 2.13.2 shall not be deemed exclusive of any other rights to which a Board Member or officer seeking indemnification or advancement of expenses may be entitled, whether contained in this Declaration or the By-Laws, or a resolution of Unit Owners, a resolution of disinterested Board Members, or an agreement providing for such indemnification or under any statute, provided that no indemnification may be made to or on behalf of any Board Member or officer if a judgment or other final adjudication adverse to the Board Member or officer establishes that such Board Member's or officer's acts were committed in bad faith or were the result of active and deliberate dishonesty or willful misconduct and were material to the cause of action so adjudicated, or that such Board Member or officer thereby personally gained a financial profit or other advantage to which he or she was not legally entitled.

2.13.5 Other Person. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in BCL Section 722 shall be entitled to indemnification as authorized by such section.

2.13.6 Specific Case. Except as provided in BCL Section 723(a), any indemnification under BCL Section 721, unless ordered by a court under BCL Section 724, shall be made by the Board on behalf and as agent of the Unit Owners, only if authorized in the specific case set forth in BCL Section 723(b).

2.13.7 Standard of Conduct. Any determination as to whether a person has met an applicable standard of conduct shall be made in accordance with the provisions of BCL Section 723.

2.13.8 Employees Agents and Committee Members. The Board on behalf and as agent of the Unit Owners may, to the extent authorized from time to time by resolution of a majority of the Board Members, provide indemnification to employees or agents of the Board or members of committees appointed by the Board, with such scope and effect as determined by said majority of the Board Members, but in no event shall such indemnification be greater than would be available to such individual under this Declaration or the By-Laws, if such individual were a Board Member.

2.13.9 Remedies. If a Claim for indemnification under this Article is not paid in full by the Board within thirty (30) days after a written Claim has been received by the Board, the claimant may at any time thereafter bring suit against the Board to recover the unpaid amount of the Claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the reasonable expense of prosecuting such Claim. It shall be a defense to any such action (other than action brought to enforce a Claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Board) that the claimant has not met the standards of conduct prescribed hereunder, but the burden of proving such defense shall be on the Board. Neither the failure of the Condominium Board (including its independent legal counsel or the Unit Owners) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper under the circumstances because he or she has met the applicable standard of conduct set forth herein or in the BCL, nor an actual determination by the Board (including its independent legal counsel or the Unit Owners) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

2.13.10 Insurance. The Board on behalf and as agent of the Unit Owners shall have the power to purchase and maintain insurance to indemnify: (a) the Condominium Board for any obligation which it incurs as a result of the indemnification of Board Members and officers under the provisions of this Article; (b) the Board Members and officers in instances in which they may be indemnified by the Board under the provisions of this Article; (c) the Condominium Board for any obligation which the Board incurs on behalf and as agent of the Unit Owners; and (d) Board Members and officers under any indemnification provided in this Declaration or the By-Laws, a resolution of Unit Owners, a resolution of the Board, or any agreement.

2.13.11 Interpretation. The intent of the foregoing indemnification· provisions in this Article is both to provide and to expand upon the indemnification provided by the BCL, as the BCL may from time to time be amended, so as to maintain and continue to attract persons of high quality to serve on the Board as Board Members, officers or in similar capacities.

2.13.12 Notice of Claim or Lawsuit. Promptly after being notified of a Claim or served in a lawsuit for which indemnity is sought (a "Lawsuit"), the indemnified party shall

give notice thereof to the Board.

2.13.13 Control of Defense. The Board on behalf and as agent of the Unit Owners, as a Common Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit, provided the indemnified party shall not be adversely affected by the proposed compromise or settlement and shall be fully and unconditionally released and discharged in writing from all liabilities and expenses with respect to such Claim by all claimants or with respect to such Lawsuit by all plaintiffs or petitioners or counter-claimants or cross-claimants (such release and discharge to be in form and content as shall be reasonably approved by the indemnified party); and (b) to choose the attorneys, who shall be reasonably satisfactory to the indemnified party.

2.13.14 Cooperation. The indemnified party shall cooperate fully and make available to the Condominium Board such information and documents under the control or in the possession of the indemnified party as are reasonably related to the defense of the Claim or Lawsuit.

2.13.15 Participation. The indemnified party shall have the right, but not the obligation, at such indemnified party's sole cost and expense, to participate and be represented by separate counsel (chosen by the indemnified party) in the defense, compromise and settlement of the Claim or Lawsuit.

2.14 **Fidelity Bond.** The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses.

2.15 **Committee.** The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an executive committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as each the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.16 **Principal Offices of Board.** The principal offices of the Board shall each be located within the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Board.

2.17 **Status of Board.** In addition to the status conferred upon each of the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 **Incorporation of Board.** To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board

so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

2.19 **Board as Agent of Unit Owners.** In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners the Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 **Prohibited Transactions.** Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable Law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a Majority of Unit Owners and a Majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is professionally reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3
UNIT OWNERS

3.1 **Annual Meetings.**

3.1.1 On or no more than thirty (30) days after the end of the Initial Control Period, the Board will call the First Annual Meeting of the Unit Owners. Such meeting shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) three (3) persons (including the Declarant), subject to Declarant's

rights pursuant to paragraph 3.9.3. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.1.2 Only the Unit Owners or their proxy holders and the Condominium's professional advisors may attend Unit Owners' meeting without the prior approval of the Board.

3.2 **Place of Meetings.** Meetings of all or any Unit Owners shall be held at the principal office of the Condominium, respectively, or, at such other suitable and convenient place in the Borough of Brooklyn, as may be designated by the Board.

3.3 **Special Meetings.** The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Board by not less than one (1) Unit Owner.

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a Majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of Inspectors of Election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units.** Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; *provided, however*, that no designation to act as a proxy shall be effective for a period in excess of twelve months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Unit Owners, as a group, such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.5 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board Members, as "Inspectors of Election" to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board Members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with this Section 3.9.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the First Annual Meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). In addition, for so long as Declarant owns at least one (1) Unsold Unit (excluding Unsold Units purchased by Declarant or its designee) as the case may be, (a) Declarant shall have the right to either designate one member of the Board or vote the Common Interests attributable to Unsold Units owned by it and (b) the number of members of the Board may not be increased without the consent of Declarant. Any vacancy created by removal of a Board Member designated by Declarant, or by any other cause which results in a Board Member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Unit Owners" means either those Unit Owners, having more than 50% of the total authorized votes of all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the aggregate Common Interests applicable

to all of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by Law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Meetings.** Any action required or permitted to be taken at any meeting of the Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 **Confidentiality.** Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board Members should never disclose how other Board Members voted.

3.15 **Conflicts of Interest.**

3.15.1 Duties of Board Members and Officers

(a) The Board Members and Officers of the Condominium owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Board Members and Officers must have an undivided allegiance to the Condominium and may not use their position as Board Members or Officers, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives. Accordingly, no Board Member or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its mission, or its reputation.

(b) Every Board Member and Officer must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. No Board Member or Officer may take personal advantage of a business opportunity that is offered to the Condominium unless the Condominium Board first determines not to pursue such opportunity.

(c) Each Board Member or Officer must protect the confidential information of the Condominium and must not use confidential information of the Condominium for his or her personal benefit, or use such confidential information or his or her position as a Board Member or Officer to the detriment of the Condominium. Confidential information is information obtained through the Board Member's or Officer's position that has not become public information.

3.15.2 Direct or Indirect Financial or Other Material Interest

(a) Contracts, transactions, or arrangements (a "Transaction") of the

Condominium in which a Board Member or Officer has a direct or indirect financial or other material interest (an "Interest") shall not be prohibited, but they shall be subject to scrutiny. Any such proposed Transaction is to be reviewed to determine that it is in the best interests of the Condominium.

(b) For the purposes of this Policy, a Board Member or Officer has an Interest in a proposed or existing contract, transaction or arrangement if he or she, or one of his or her relatives: (a) has interest directly in the proposed or existing contract, transaction or arrangement; or (b) holds a position as trustee, Board Member, officer, member, partner, or employee in any such party.

(c) A Board Member's or Officer's Interest will be considered substantial if it involves: (a) an ownership or investment interest representing more than 1% of the outstanding shares of a publicly traded company or 5% of the outstanding shares or comparable interest of a privately owned company with which the Condominium has or is negotiating a Transaction or that is an involved Condominium with respect to the Transaction; or (b) an ownership or investment interest, which produces an income for or constitutes a part of the net worth of the Board Member or Officer, or a relative of the Board Member or Officer, in any entity with which the Condominium has or is negotiating a contract, transaction, or arrangement or that is an involved Condominium with respect to the Transaction; or (c) a compensation arrangement of any kind with any entity or individual with which the Condominium has or is negotiating a Transaction, or with any involved Condominium with respect to the contract, transaction, or arrangement.

3.15.3 Disclosure of Interest and Participation in Meeting

(a) Each Board Member and each Officer of the Condominium shall promptly disclose in writing to the President with a copy to each member of the Board any Interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium prior to the start of any negotiations with respect to such matter. Such disclosure shall include all material facts and supply any reasons why the Transaction might be or not be in the best interest of the Condominium. The President shall refer the issue to the full Board or a committee having decision-making authority over the substantive matter in question (the "Determining Party").

(b) The Board Member or Officer who discloses an Interest in a Transaction may make a presentation and respond to questions by the Determining Party, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Transaction that results in the conflict of interest. As part of any such presentation, the Board Member or Officer shall provide to the Determining Party any reasons why the Transaction might be or not be in the best interest of the Condominium. The Determining Party shall determine whether the Condominium can obtain a more advantageous Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Determining Party shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, transaction, or arrangement. If a more advantageous Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Determining Party shall determine by majority vote of the disinterested members of the Determining Party whether the Transaction is in the Condominium's best interest and whether it

is fair and reasonable to the Condominium and shall make its decision as to whether to enter into the Transaction in conformity with such determination.

(c) The existence of a quorum shall not be broken by the non-participation of a Board Member or Officer who has disclosed a direct or indirect financial or other material interest in any substantive matter.

(d) The names of the Board Members and Officers who disclosed or otherwise were found to have a direct or indirect Interest in a proposed or existing Transaction of the Condominium, the nature of the Interest, and the extent of the Board Member's or Officer's participation in the relevant Determining Party meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as to whether the Transaction was in the best interest of and fair and reasonable to the Condominium. The names of the persons who were present for discussions and votes relating to the proposed or existing Transaction, the content of the discussion, and a record of any votes taken in connection therewith.

(e) *Co-Investment Interest*. Each Board Member and each Officer of the Condominium also shall disclose whether he or she, or one of his or her relatives, has personal funds invested with an investment manager providing, or expected to provide, investment management services to the Condominium or in a professionally managed investment fund in which the Condominium is invested or is considering investing.

(f) *Failure to Disclose*. If the Determining Party has reasonable cause to believe that a Board Member or Officer has failed to disclose a direct or indirect financial or other material Interest, it shall inform the Board Member or Officer of the basis for such belief and afford the Board Member or Officer an opportunity to explain the alleged failure to disclose.

(g) *Managing Agent and Employees Covered by Policy*. This Policy shall also apply to the Condominium's Managing Agent and employees of the Condominium.

(h) *Business Corporation Law § 713*. Every calendar year prior to December 31st, every Director shall receive a copy of the then current version of BCL§713.

(i) *Annual Disclosure Statement*. Promptly following the adoption of this Policy, and thereafter, on an annual basis, not later than the fifth (5th) day of January of the following year, each Board Member and Officer shall acknowledge his or her familiarity with this Policy, will confirm the receipt of BCL§713 and shall disclose in writing to the Board any existing financial or other material Interests subject to this Policy by completing a Conflict Of Interest Disclosure Statement. The Conflict Of Interest Disclosure Statements shall be retained in the confidential files of the Board.

3.16 **New Business.** Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Condominium at least five (5) days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five (5) days before the

meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place thirty (30) days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board Members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

ARTICLE 4
OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board Members until the first organizational meeting of the Board after the First Annual Meeting of Unit Owners. Any one may hold multiple offices.

4.2 **Election of Officers.** The officers shall be elected annually by the Board, respectively, at the organizational meetings thereof, except that the initial officers shall be elected, by the initial Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers.** Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **President.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 **Vice President.** The Vice President shall take the place of the President under whom he serves and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

4.6 **Secretary.** The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to

the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurer.** The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the Managing Agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any expenditure in excess of $2,500 by the Condominium Board must be countersigned by two members of the Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board Member to countersign the expenditure.

4.9 **Compensation of Officers.** Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

4.10 **Liability of Officers.** To the extent permitted by applicable Law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable Law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

ARTICLE 5
NOTICES

5.1 **Notices.** All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners, and if there is a Managing Agent of the Board, a duplicate shall be sent in like manner to such Managing Agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change

of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice.** Whenever notice is required to be given by Law, the Declaration or 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 6
OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below. Common Expenses shall include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a Budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation), charges as set forth in the Plan ("Common Charges") to meet Common Expenses. Such Budgets shall include such amounts for reserves as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of Law.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof ("Annual Budget"). Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.3 Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of the Common Charges from Unit Owners for the Waiver Period; provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Operating Expenses. In connection with the Waiver Period, (i) if the collection of Common Charges will be delayed, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan; (ii) Sponsor shall provide notice to Unit Owners disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an

amendment to the Plan; (iii) that during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium (which shall not include real estate taxes, whether the Units have been separately assessed or not), including but not limited to insurance premiums, any reserve fund payments and contingency payments to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) 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; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. The Sponsor-controlled Board will provide certified financial statements during the Waiver Period.

6.1.4 All Waiver Period Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B, Projected Budget for First Year of Operation of the Units. Purchasers should note that Schedule B, Projected Budget for First Year of Operation of the Units will not be in effect until the expiration of the Waiver Period. In all instances the Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to the Unit Owners terminate the Waiver Period.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.1.6 The failure or delay of the Board to prepare or adopt a Budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.7 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with Section 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.8 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Unit Owners (in the case

of the Residential Limited Common Elements), and shall constitute income of the Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.9 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among the Units as set forth in the footnotes to Exhibit B to the Offering Plan. Except as otherwise specifically provided herein, the Common Charges and assessments payable by each Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Units. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. Such redetermination shall also be the use of the same is changed, or the owners of 50% or more in percentage Common Interests of any category of Units request such a redetermination (which request may be made periodically, but not more often than once per year). If, as a result of a regular review, a redetermination based upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, the same shall be submitted for Arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of the dispute, the Unit Owners in question shall continue to pay Common Charges upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

6.1.10 If a refund is contemplated for the first or any subsequent year of Condominium operation due to the actual expenses of operating the Condominium being less than the projected expenses set forth in the Budget for such year of Condominium Operations, then such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. The Board shall continue to update the budget, in accordance with the governing regulations. For purposes of this section, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums, reserve funds and contingency funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, Managing Agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss affects only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Depository pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, 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 insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the Managing Agent or agents thereof, each Board

Member, and each officer and employee of the Condominium, (ii) the Unit Owners, all officers, directors and employees thereof, and its Managing Agent or agents, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Section 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any insurance with respect to any furniture, fixtures, equipment, furnishings or personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements, furniture, fixtures, equipment, furnishings or betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.2.8 Until payment of the debt under the mortgage securing Declarant's construction Loan (the "Mortgage") is made in full or until such Mortgage is assigned by lender to Declarant's designee, whichever occurs first, the Board must comply with the obligations of the Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.2.9 If any insurance policy maintained by the Condominium Board contains a deductible, then that portion of any loss or claim which is not covered by insurance due to the application of a deductible, as well as any claim or loss for which the Condominium is self-insured, may be assessed by the Condominium Board against the individual responsible for the loss.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board with respect to any damage to or destruction of the Common Elements, will arrange for the prompt repair and restoration of the Common Elements (including the exterior walls of each Unit and bringing utilities to the Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Depository, 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. If only the Units, Residential Common Elements and/or the Residential Limited Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne or shared entirely by all Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a general Common Expense or profit, respectively, as provided in Section 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof or if the Building cannot be restored to its original size, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners by apportioning such proceeds in the aggregate among the Unit Owners pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

6.3.3 As used in this Section 6.3, the words “promptly resolve” shall mean not more than sixty (60) days after the date of the damage of destruction in question occurs.

6.3.4 Any dispute between the Board and a Unit Owner under this Section 6.3 shall be settled by Arbitration (as provided in Article 11).

6.4 **Payment of Common Charges.**

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise

determined by the Board, Common Charges shall be payable monthly, in advance, on the first (1st) day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale or other conveyance by him or her (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, as the case may be, thereafter accruing. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by Law, a Purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said Purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. The Board will also have the right to assess any unpaid balance as a Common Charge against all Unit Owners. Except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All liens provided for in this Section 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Notwithstanding 6.4.2, neither the seller nor the Purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.5 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws.

6.4.6 For the purposes of this Section 6.4.6, "Non-Occupying Owner" shall mean a Unit Owner who or which does not occupy its Unit.

6.4.6.1 If a Non-Occupying Owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

6.4.6.2 If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board 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 Board. At such time as Payments from the Non-Occupying Owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and Non-Occupying Owner. Thereafter all rental payments shall be made payable to the Non-Occupying Owner or a designated agent. A Non-Occupying Owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the ate that such Board receives notice that such owner seeks to dispute such claim.

6.4.6.3 Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other Law or agreement.

6.4.7 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the Non-Occupying Owner against such tenant for such rent.

6.5 **Collection of Common Charges.** The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty (30) days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges.** In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less

than the charges set forth herein.

6.7 **Foreclosure of Liens for Unpaid Common Charges.** In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the Defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.** The Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 The Unit Owners shall take possession of their Units and their appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to a Limited Common Element shall be made by the Condominium Board and the cost allocated to the Unit Owners who have the right to use the Limited Common Element, or (c) in or to the General Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Board.

6.9.2 Notwithstanding the provisions of 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property, any Unit, or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, or anyone visiting, residing or working in the Unit, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 In the event of damage to the Unit by fire, casualty or a leak from outside of the Unit, unless the Unit Owner caused the casualty or the leak, the Board shall repair the damage to the Unit caused by the fire, casualty or leak, but the Unit Owner shall be responsible for the Unit Owner's furniture, furnishings, fixtures, personal property, equipment, wall, floor and ceiling coverings and decorations. In the event the casualty was caused by the negligence or misconduct of the Unit Owner or anyone residing, visiting or working in the Unit, the Unit Owner shall be responsible for repairing the damage caused by the casualty.

6.9.2.3 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. All normal maintenance, repairs and replacements of any Terrace and the normal maintenance and cleaning of the landscape areas on the Terrace shall be made by the Unit Owner having access to such Terrace at the Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (excluding any leaks which are not caused by the negligence of the Unit Owner having access to the Terrace) and the irrigation, seasonable inspection and startup and shutdown maintenance of the landscape areas shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Residential Common Expense. Unless caused by the Unit Owner, the slab beneath the Terrace shall be the Board's responsibility and the surface of the Terrace above the slab shall be the Unit Owner's responsibility. No plantings, structures or installations may be placed on Terraces without the prior written approval of the Condominium Board. Certain Terraces will have plantings and/or pavers and river stones which shall not be removed or replaced without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Terraces by said Unit Owners if the Condominium Board determines, in its reasonable discretion, that such plantings and other installations adversely affect the integrity of the surface beneath the Terrace. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.4 The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his or her sole cost and expense.

6.9.2.5 Unit Owners shall have the right, at their sole cost and expense, to replace the windows in their Unit providing, however, that the Unit Owners shall only replace the windows in their Unit with a style of window approved by the Board and any applicable government agency. In the event the Board shall determine, in its sole but reasonable discretion, that (a) because one or more windows in a Unit are dangerous, no longer airtight or watertight, the Unit Owner shall replace the window or windows at its sole cost and expense or (b) all of the windows in the Building should be replaced, the cost of the replacement shall be allocated among the Unit Owners as follows: (i) each Unit Owner shall pay for the cost to acquire and install the windows in the Unit Owner's Unit; and (ii) all of the Unit Owners shall share the common costs (e.g., architects and engineer's fees, site safety, sidewalk bridges, permits and necessary approvals,

the cost to dispose of the old windows and environmental remediation, if required and related costs, based on each Unit Owners' percentage interest in the Common Elements.

6.9.2.6 The exterior of all front doors of Units shall not be painted or decorated other than in accordance with the standard for the Condominium.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

6.9.4 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing or electrical lines ("Utility Lines") servicing the Unit or made any other repairs or replacements affecting the Unit or the Building (collectively "Renovations") and such windows, doors or Utility Lines require repair, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the Utility Lines running from the Unit to the riser in the event the Renovations or the item that was repaired or replaced require repair or replacement in the future or in the event any renovation adversely affect the Building.

6.10 **Violations of Maintenance Obligations.**

In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 **Structural Alterations, Additions, Improvements and Repairs of Units.**

6.11.1 Alterations of any Unit shall not encroach or impinge on public areas of the Building. Any alterations of a common hallway by a Unit Owner shall only be made with the consent of the Board and each Unit Owner having a Unit adjacent to that hallway. Any consent to proposed alterations shall be subject to such terms and conditions as the Condominium Board shall impose, including the Unit Owner's execution of an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration may be made, including, without limitation the hours and days during which any alteration work may be performed, a per diem penalty for delays in completion of work beyond the time specified in the alteration agreement and the delivery of a security deposit (in an amount determined by the Board) to ensure compliance with the terms of the alteration agreement.

6.11.2 The Board shall not consent to any alteration until the Unit Owner cures any defaults under the Declaration, By-Laws or Rules and Regulations and pays such sums, to be fixed by the Condominium Board, to cover reasonable legal, architectural, engineering and other expenses of the Board and its Managing Agent in connection with such proposed alterations.

6.11.3 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board. The Board shall have the obligation to answer any written request by Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Board may impose fees upon a Unit Owner to reimburse the Condominium for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this Section 6.11.3, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto. Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

6.11.4 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.5 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural

alteration, addition, improvement or repair in or to any Unit so approved by the Board shall, if required by Law or such department or authority, be executed by the Board or, provided that the Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.11.6 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.7 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, neither the Board nor the Unit Owner shall use or suffer to be used in any part of the Buildings any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Buildings.

6.12 **Alterations, Additions, Improvements, Repairs or Replacements to Common Elements.**

6.12.1 Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs or replacements in or to any Common Element or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Whenever in the judgment of the Condominium Board, the cost of any addition, or improvement would exceed $250,000 in the aggregate in any calendar year (except if such addition or improvement is provided for in a duly approved Budget), then such proposed addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid with respect to additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners.

Alterations, repairs or replacements to the Common Elements including replacement of existing Common Elements of the Building shall be made by the Board in its own discretion regardless of the cost.

6.13 **Alterations of Certain Common Elements.**

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.13.2 Nothing contained in Section 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 **Restrictions on Use of Units.**

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used as described below.

6.14.1.1 A Unit may generally be used only for residential purposes and, subject to compliance with the Declaration and these By-Laws, for lawful home occupation as defined in the Zoning Resolution, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Unit and complies with all applicable governmental regulations. Each such Unit may only be occupied by: (i) any individual who is a

Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing.

6.14.1.2 Except as set forth herein, a Unit may be used for any purpose permitted by Law, provided such use (1) does not violate the then existing certificate of occupancy for such Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Units, and (3) complies with all applicable governmental regulations.

6.14.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Section 6.14.1.3) may be accommodated therein.

6.14.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children aged ten (10) years old or under lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board" for further details.

6.14.1.5 The Condominium shall be a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, marijuana or other similar substances, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Units, on Terraces appurtenant to the Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under this Section 6.14.1.5 of the By-Laws, including, without limitation, such fines and penalties as the Board may deem appropriate, and reimbursement of any fees or expenses incurred by the Condominium (including reasonable legal fees) in enforcing this provision. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The Board shall also have the right to obtain

a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

6.14.2 Notwithstanding the provisions of Section 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental Laws and regulations.

6.14.3 The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than those expressly permitted herein.

6.15 **Use of Common Elements.**

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) the lobby, vestibules, public halls, stairway and public elevator shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b)

restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.15.5 The owner of any Unit containing lot line windows, shall comply with all requirements of Law applicable thereto and, to the extent such lot line windows are provided with sprinklers, no decoration, alteration or installation can be made which would block or otherwise interfere with the operation of the sprinkler heads or be in violation of Law.

6.16 **Other Provisions as to Use.**

6.16.1 No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium which is a source of annoyance to the Residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its Residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any portion thereof. All valid Laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by Law or court order, does not violate the then existing certificate of occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by Law or court order, does not violate the then existing certificate of occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Units to any party(ies).

6.16.4 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of Hazardous Materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material

used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local Laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.17 **Right of Access.**

6.17.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the Managing Agents, managers, Resident Manager, superintendent and/or any other person authorized by any of the foregoing. A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements and the Limited Common Elements to Declarant and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In an Emergency, in the event the Condominium incurs any expense as a result of a Unit Owner's failure to provide access to the Unit or if access is otherwise impeded or the Unit Owner has failed to leave a full set of the Unit's keys with the Condominium's personnel at the Building, the Unit Owner shall reimburse the Condominium for the Condominium's costs in obtaining access including without limitation the cost of a locksmith.

6.18 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents.**

6.19.1 Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more Building Systems by the City of New York. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered.

6.19.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Declarant if Declarant has paid such taxes) and allocate the cost thereof among the individual Units, in proportion to the Units' percentage interests

in the Common Elements as set forth in Schedule A of the Offering Plan. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium or any Unit. If Declarant fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium and/or any other Unit, Declarant will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.19.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the Purchaser of such Unit or to such Purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.19.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.20 **Heat.** Heat for the Building shall be supplied by fan coil HVAC Units using electricity and the charges therefor shall be paid by the Condominium Board. The costs incurred by the Condominium Board shall be allocated to the Unit Owners as a Common Charge. Until such time as the Units are submetered, the cost of heat shall be allocated as set forth in "Schedule B-Projected Budget for First Year of Condominium Operation" in Part I of the Plan.

6.21 **Electricity.**

6.21.1 Electricity for each Unit shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Condominium, through one or more electrical meters and that the cost thereof be borne by each Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit (or portion thereof) directly to the utility company, except that in the event that the Condominium Board has elected to sub-meter electricity to each Unit, then in such event each such Unit Owner shall be required to pay bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the

Board.

6.21.2 In the event the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.21.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within thirty (30) days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to Arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such Arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

6.21.4 The arbitrator shall be obliged to provide a full and fair hearing within fifteen (15) days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within ten (10) days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least three (3) years from the date the complaint is first brought.

6.21.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an Arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.21.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company.

6.21.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.22 **Utilities Serving the Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities and electricity serving or benefiting any Common Element shall be considered part of the expense of maintaining such Common Element.

6.23 **Abatement and Enjoinment of Violations by Unit Owners.**

6.23.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit, Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the Defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.23.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.24 **Reimbursement of Condominium Expenses.** A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

6.25 **Use of Common Elements; Use of Adjacent Sidewalks.**

6.25.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.25.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.25.3 The Owner or Owners of any one or more Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable Law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its

designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Section 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.25.4 Notwithstanding the foregoing, elevator landings which serve fewer than three (3) Units may be decorated and/or furnished by the adjoining Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same

6.25.5 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing (or until no Unsold Units remain, if earlier), to use portions of the General Common Elements, without charge, for exhibitions or for other promotional functions with respect to the sale and leasing of Unsold Units.

ARTICLE 7
MORTGAGES

7.1 **Notice to the Board.** A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units." Declarant shall not be required to file a conformed copy of any notes, mortgages or other financing documents entered into by Declarant with the Board, nor shall Declarant be required to notify the Board when Declarant satisfies any mortgages or other loans. Any mortgagee or lender that has provided financing to Declarant or the direct and/or indirect owners of Declarant (whether it be construction financing secured by a mortgage, mezzanine financing, preferred equity or any other form of financing) shall be deemed a Permitted Mortgage hereunder and under the Declaration for so long as such loan is in effect, without having to provide any notification to the Board as is

required above. The Permitted Mortgagee shall have the right to assign its rights as Permitted Mortgagee to a servicer. Upon the request of any lender who shall request the same, at the time of execution of a Permitted Mortgage or thereafter, the Condominium Board shall confirm to the holder thereof in writing that such mortgage or pledge, as applicable constitutes a "Permitted Mortgage" hereunder and is entitled to all of the rights and benefits of a Permitted Mortgagee hereunder and that such holder is a "Permitted Mortgagee" hereunder provided the criteria set forth above for "Permitted Mortgage" and "Permitted Mortgagee" are met. Notwithstanding the foregoing, the lien of any mortgage on a Unit or of any pledge on any direct or indirect ownership interest in a Unit Owner, as applicable, shall not be deemed to be impaired in any respect in the event such mortgage or pledge, as applicable, shall not constitute a Permitted Mortgage hereunder.

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws or the Rules and Regulations which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof. A Permitted Mortgagee shall receive notice of the commencement by the Condominium Board of any action or proceeding pursuant to Section 6.7 of the By-Laws.

7.3 **Performance by Permitted Mortgagees.** The Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. Any Permitted Mortgagee shall have a period of thirty (30) days more than the period of time given to its corresponding Unit Owner for remedying any default by a Unit Owner under the Declaration or these By Laws or causing the same to be remedied and shall, within such period and otherwise as herein provided, have the right, but not the obligation, to remedy such default, or cause action to remedy such default to be taken; provided, however, that if such default is not reasonably susceptible of being cured by a Permitted Mortgagee either within such thirty (30) day period or without obtaining possession of the Unit or the other pledged collateral, the Permitted Mortgagee shall have such additional period of time as is reasonably necessary to cure such default, or, if such default cannot be cured without obtaining possession of the Unit or the other pledged collateral, to obtain possession of the Unit or the other pledged collateral and thereafter cure such default, provided the Permitted Mortgagee has commenced such cure and is diligently prosecuting such cure or, if such default cannot be cured without obtaining possession of the Unit or the other pledged collateral, has notified the Condominium Board of its intention to proceed to obtain possession of the Unit or the other pledged collateral and thereafter diligently proceeds to do so. The Condominium Board will not commence a proceeding to foreclose its lien against any Unit as a result of any Unit Owner's default until the expiration of the time period described herein that is afforded to any Permitted Mortgagee to cure such default. Payment or performance of any obligation of a Unit Owner by a Permitted Mortgagee shall not give rise to any obligation on the part of the Permitted Mortgagee to so pay or perform in the future. The provisions of this Section 7.3 shall govern over any provision to the contrary contained in the Declaration or these By-Laws.

7.4 **Examination of Books.** Each Unit Owner and Permitted Mortgagee shall be

permitted to examine the books of account of the Condominium at reasonable times, on business days, but the books shall not be examined more than once a month.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in Section 7.5.2, the holders of Permitted Mortgages may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, as appropriate, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages.

7.5.2 Any designation of a Mortgage Representative made by the holders of Permitted Mortgages, constituting a majority in principal amount of all Permitted Mortgages, shall be binding upon the holders of all Permitted Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by Law, all Permitted Mortgagees shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.6 **Consent of Mortgagees.** Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

7.7 **Appointment of Board Members by Permitted Mortgagee.** Supplementing Section 2.1.6 of these By-Laws, if a default occurs under any Permitted Mortgage and the terms thereof authorize the Permitted Mortgage to appoint members to the Condominium Board on the default Unit Owner's behalf, then, the Condominium Board shall recognize appointments of members to the Condominium Board made by the applicable Permitted Mortgagee, so long as such Permitted Mortgage is outstanding.

ARTICLE 8
SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing.** No Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a 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 Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by

certified or registered mail, return receipt requested, to the Condominium Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended Closing Date in the event of a purchase or intended occupancy date in the event of a lease) a copy of the fully executed contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of purchase application or lease application, as the case may be, and such other information as the Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell his or her Unit together with its appurtenant Common Interest or to lease his or her Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Unit Owner who has received such Outside Offer to the Board acting on behalf of all Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such 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 Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the Purchaser, lessee or anyone anticipated to be residing in the Unit has diplomatic immunity or has been convicted of a violent crime or child molestation without being required to exercise the right of first refusal.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the Closing Date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than forty-five (45) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a down payment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in Section 8.1.1 as the intended Closing Date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or

mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the Closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all 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/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the Closing Date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional sixty (60) days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional sixty (60) days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign his or her interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable Law, shall have 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 in the performance of 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. No lease of a Unit shall have a term of less than one (1) year.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of lease which is generally approved by the Board which governs the Unit to be leased and is

accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Condominium Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, as the case may be, without having to first offer the same for sale or lease to the Board.

8.1.8 On the Closing of the transfer or sale of each Unit, the Purchaser or transferee shall make a non-refundable contribution to the Condominium working capital fund equal to two month's Common Charges (other than an Unsold Unit).

8.2 **Consent of Unit Owners to Purchase or Lease of Units by Condominium Board.** The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner consent shall not be required. The Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **No Severance of Ownership.** No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by Condominium Board of Right of First Refusal.** The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in Section 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Sections 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal.** A certificate executed by an officer of the Condominium stating that the provisions of Section 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Section 8.1.3), shall be conclusive upon the Board and the Unit Owners in

favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of Section 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Units by Condominium Board.** The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.7 **Exceptions.** The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant, its designee or the owner of an Unsold Unit, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, or (f) any mezzanine lender succeeding to the interests of Declarant; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 **Gifts and Devises, etc.** Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Units.** Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Condominium Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Units.** The Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a

reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to or from Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units (that are not Unsold Units) shall also pay to the Condominium Board two months Common Charges as a non-refundable contribution to working capital.

8.11 **Power of Attorney.** At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Unit Power of Attorney required by Article 16 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Unit Occupancy.** Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the Purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the Purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 **Mortgage of Units.** Subject to Article 7 of the By-Laws and Section 8.7, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 **Transfer of Units to Trusts and Other Entities.** No Unit shall be owned by or transferred to a trust or other entity unless the Condominium Board receives, prior to or at the Closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the Unit Owner and the Condominium, (b) a written designation by the Purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the Unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.17 **Lease or Purchase of Unit or Other Apartment for Resident Manager's**

Residence. The Condominium Board shall have the right to lease or purchase a Unit or other apartment for the Resident Manager's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.18 **Transfer of Interests in Entities Owing Units.** In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.19 **Limitations on Sale.** In order to facilitate the Sponsor's sale of the Units, prior to (a) the earlier of Sponsor selling all of the Units or one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The above-listed limitations on sale will not be applicable after all Units are sold.

ARTICLE 9
CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements ("Taking"), then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such Taking. The award made for any such Taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Depository and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments ("Award"). If the net proceeds of any such Award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any Taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Unit Owners with respect to any Taking of the Residential Common Elements and/or Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of the Residential Common Elements, Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) in both number and aggregate Common Interests or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as

set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation Awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, and the two chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than sixty (60) days after the date notice is given of such Taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10
RECORDS AND AUDITS

10.1 **Records.** The Board or the Managing Agent for the Board, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.** Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board as a Common Expense.

10.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

10.4 **Confidential Information.** Notwithstanding anything contained herein to the contrary, in order to maintain the Unit Owner's privacy, in the event a Unit Owner provides the Managing Agent with the Unit Owner's email address, telephone number or an address other than the Building, the Managing Agent shall not disclose such information without the written consent of the Unit Owner.

ARTICLE 11
ARBITRATION

11.1 Any dispute, claim or controversy arising out of or relating to the Declaration and By-Laws by the Unit Owners (individually, a "Party", collectively, the "Parties") shall be determined by Arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in the Declaration and By-Laws, the Arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

11.2 Within five (5) days of filing an Arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser.

11.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

11.4 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the Arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

ARTICLE 12
MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or the Rules and Regulations 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.

12.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws 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.

12.3.2 The terms "herein," "hereof' or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms

are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.3.4 Unless otherwise expressly stated herein to the contrary all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the First Closing, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefore reasonably selected by the Board.

12.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Depository.** The "Depository" shall be a bank or trust company in The City of New York, designated by the Condominium Board. In the event the Depository resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Depository. The Condominium Board shall pay the fees and disbursements of any Depository and such fees and disbursements shall constitute a Common Expense. The Depository shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. Notwithstanding anything to the contrary contained in the Plan, Declaration or these By-Laws, Declarant's lender having a Permitted Mortgage encumbered by the Units shall be the designated Depository, and after such Permitted Mortgage is satisfied, Declarant's mezzanine lender shall be the designated Depository until such loan is paid in full.

12.6 **Successors and Assigns.** Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, 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.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or

officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws 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.

12.7.2 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board, stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board 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, the Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board 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, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

12.8 **Indemnity.** In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, such request shall be deemed to include the Unit Owner's indemnification of the Board and shall save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

12.9 **Mold.** The prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he, she or they have taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. The Board will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or

willful misconduct of the Board.

ARTICLE 13
AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.**

13.1.1 Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Unit Owners, all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded. Notwithstanding anything to the contrary herein, no amendment, modification, addition or deletion of these By-Laws shall be effective without the written consent of each Permitted Mortgagee of Declarant.

13.2 **Scrivener Errors.** Notwithstanding anything to the contrary contained herein or in the Declaration, the Condominium Board may amend these By-Laws without the consent of any Unit Owner or Recognized Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Recognized Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

ARTICLE 14
CERTAIN DAMAGES

14.1 **Self Help.** If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its

appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 of the Declaration, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five (5) day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 **Abatement and Enjoinment.**

14.2.1 In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the Defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges

14.2.2 The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity.

14.3 **Remedies Cumulative.** The remedies specifically granted to the Condominium Board or to Declarant in this Article 7 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at Law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

14.4 **Costs and Expenses.** All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal,

or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 14.1 or Section 14.2 hereof shall be immediately payable by (a) such Unit Owner to the Condominium Board or (b) the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 **Liability for Litigation Costs.** If any Unit Owner, tenant, Purchaser or an applicant to purchase or lease a Unit, institutes any Arbitration, action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, Purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, Purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A
RULES AND REGULATIONS GOVERNING THE UNIT OWNERS

The following Rules and Regulations are applicable to the Unit Owners and their tenants and their guests.

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Condominium Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Condominium.

(4) No public hall or public elevator vestibule of the Condominium shall be decorated or furnished by any Condominium Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Unit) in a good state of preservation 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. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Condominium Board.

(6) No window guards or window decorations shall be used in or about any Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the Managing Agent of the Condominium, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, Satellite or similar device shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

(9) All radio, television or other electrical equipment of any kind or nature installed or

used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in the elevator, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium. No electric bicycles, scooters, or similar vehicles may be stored in the Building.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Condominium. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

(12) No more than two (2) pets shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such Managing Agent in their sole discretion, at any time. The permitted pets shall include domestic dogs each weighing no more than 35 lbs., domestic cats, caged birds and fish. No dogs of an aggressive breed shall be permitted. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Condominium shall use the elevator for the purpose of ingress and egress, and shall not use the other elevators for any other purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevator freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the mailroom where feasible. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners.

Deliveries, if made, will be made from the package room to individual Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the Resident thereof or an authorized person and said Resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the Resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the elevator with the approval of the Condominium Board or the Managing Agent of the Condominium for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the Managing Agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium and in any common area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

(19) The agents of the Condominium Board or the Managing Agent, and any contractor or worker authorized by the Condominium Board or the Managing Agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Condominium Unit for its permitted purposes.

(20) Corridor or stairwell doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Condominium Board or the Managing Agent of the Condominium may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such Managing Agent, then the Condominium Board or such Managing Agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or

trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent of the Condominium.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

(25) Unit Owners will faithfully observe the following procedures with respect to the use of the compactor; (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the Managing Agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent of the Condominium shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Unit or in the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which

will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the Common Elements or Limited Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the Managing Agent of the Condominium.

(33) In the event that any Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Units, in their Limited Common Elements (including Terraces), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

(36) The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board 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 the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the Terraces or the roof of the Building shall be anchored. No plantings, structures or installations may be placed on the Terraces without the prior written approval of the Condominium Board.

(38) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

(39) No electric bicycles, scooters, or similar e-mobility devices or vehicles (an "LI Vehicle") using lithium ion batteries are permitted in the Units, in the Limited Common Elements (including terraces), or in the Common Elements (collectively, the "Property"). As such, no Unit Owner shall permit any LI Vehicles (whether belonging to the Unit Owner or to their guests, employees, agents, visitors, tenants, sub lessees or licensees) (collectively, "Guests") to be brought into, kept, charged or stored in the Property. In the event a violation of the foregoing policy results in a fire at the Property, the Unit Owner who brought the LI Vehicle onto the Property or whose

Guests brought the LI Vehicle onto the Property, shall be responsible for the damage resulting from the fire.

EXHIBIT E

UNIT POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

THE COMMITTEE OF 68 COMMERCIAL STREET CONDOMINIUM

AND

THE CONDOMINIUM BOARD OF 68 COMMERCIAL STREET CONDOMINIUM

AND

68 COMMERCIAL STREET, LLC

68 COMMERCIAL STREET CONDOMINIUM

68 COMMERCIAL STREET, BROOKLYN, NEW YORK 11222

UNIT _____

COUNTY: NEW YORK

BLOCK: _____

LOT: _____

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 68 Commercial Street, LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 68 Commercial Street Condominium and by the street number 68 Commercial Street, Brooklyn, New York 11222 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Unit (the "Unit") in 68 Commercial Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 489 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. The Condominium Board (hereinafter collectively referred to as "**Committee**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Committee or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Committee 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 by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Committee, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Committee deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Units and/or the Condominium, which the Committee, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Units, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units which the

Committee deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s), to the extent required in the Declaration and By-Laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Units or any of the Common Elements, in each case that the Committee deems necessary or appropriate.

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

This Unit Power of Attorney shall be irrevocable; and

B. the Condominium Board of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board 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 by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the General Common Elements which the Condominium Board, with respect to the General Common Elements and the Committee with respect to the Residential Section, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Committee, in each case to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

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

This Unit Power of Attorney shall be irrevocable; and

C. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x)Permitted Mortgagee designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by a Permitted Mortgagee covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT G: REAL ESTATE TAX PROJECTION LETTER

METROPOLITAN
Realty Exemptions

Office: 349 Keap Street, Brooklyn, NY 11211
Mailing: 118 Middleton Street, Brooklyn, NY 11206
Phone: (718) 387-3004 | **Fax:** (718) 228-3503
Email: martin@mretax.com |**Web:** www.mretax.com

December 4, 2023

68 Commercial Street LLC
515 Rockaway Avenue
Valley Stream, NY 11581

RE: 68 Commercial Street
Brooklyn, NY
Block & Lot: 2482 - 16

Letter of Opinion Regarding Real Estate Tax Liabilities
Project Details: Three (3) Residential Condominium Units

To Whom It May Concern;

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, to be included in the Condominium Offering Plan.

In order to prepare this letter and the opinion set forth herein, you have supplied us with the following information upon which we have relied:

1. The subject property is located at 68 Commercial Street, Brooklyn, NY, and is known as Block: 2482, Lot 16, with the NYC Department of Finance ("DOF").

2. The property is currently a vacant land, and is classed as Tax Class 4 with the DOF.

3. The proposed is to construct a new building with 5 stories and a penthouse, with three (3) condominium units.

4. The building will aggregate a total of 6,979 gross square feet.

5. There will be separate condominium tax lots filed with the DOF for each residential unit.

6. Since this will be a condominium project with more than 3 stories high, the DOF Surveyor's Office shall class the condominium units as a tax class 2 (2C) and thus levy the assessed value on a 45% rate of the market value.

DOF Assessment Guidelines

The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year. Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year.

The property tax assessment process commences when the city's assessors determine the market value of the property. Property tax is only levied on a portion of the market value. This portion is called the assessed value. Regarding 1-3 family homes and condominiums with no more than three (3) stories, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. Regarding all other properties, taxes are levied on 45% of the market value.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore, the prices that you set in your offering plan and any subsequent sales or re-sales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential units will be designated as tax class 2C property and will pay on the class 2 tax rate. Real Property tax rates set each year by the City Council are applied to these property values, to determine each homeowner's annual tax liability. The current 2023 class 2 tax rate is 12.267%.

Tax Class 2a, 2b and 2c CAP

Per New York Real Property Tax Law Section 1805, tax class 2a, 2b and 2c properties are subject to an assessment cap of 8%. Specifically, the law states that an assessor of any special assessing unit "shall not increase the assessed value of any tax class 2a, 2b and 2c properties" in a single year by more than 8% of the previous year's assessed value, as listed on the assessment roll. Additionally, the assessor may not increase the tax class 2a, 2b and 2c properties assessed, value by more than 30% within any five-year period. The assessment cap does not apply to increases in assessed value due to physical alterations or the expiration of any tax exemptions or abatements.

We believe there will be a substantial increase in value for 2024/25 because of the new construction, and that such increase will be placed on the assessment roll immediately and not subject to the limitation on increases described above. In future tax years, increases in assessed value cannot exceed 8% annually and 30% over any five-year period.

Proposed Real Estate Tax Liabilities
We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) the potential income for the new structure (if operated as a rental); (c) comparable condominium projects in Brooklyn (specifically, in the Greenpoint neighborhood) which have been recently constructed; (d) market conditions in the general area; (e) proposed estimate of the cost of construction; and (f) calculation of the gross floor area mentioned above.

Post construction Projected Assessed Value and Tax Liability
Considering the aforementioned factors, we are estimating that for the post construction tax year, the DOF will set the **Taxable Assessed Value at approximately $524,790.**

Assuming the 2023 tax rate of 12.267% for tax class 2 (i.e., $12.267 per $100 of AV), the Projected Tax Liability will be approximately **$64,376.**

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

During construction the DOF may class the property as a Tax Class 1 based on the permits. In the event the DOF will keep the units as Tax Class 1 after completion, the calculation and the taxes will differ the amounts mentioned above.

Blended taxes for the first year of condominium operation
The first year of condominium operation will begin on September 1, 2024 and end on August 31, 2025.
Taxes for the first year of condominium operation will be approximately as follows:

Estimated Full Tax Liability for the 2024/25 and 2025/26 TAX YEARS

	Assessed Value	Tax Rate	Real Estate Tax
2024/25 TAX YEAR	$120,000	20.309%	$24,371
2025/26 TAX YEAR	$524,790	12.267%	$64,376

Estimated Taxes for the First Year of Condominium Operation

	Assessed Value	Tax Rate	Real Estate Tax
83% of year 2024/25	$100,000	20.309%	$20,309
17% of year 2025/26	$87,465	12.267%	$10,729
First year of condominium operation	$187,465		$31,038

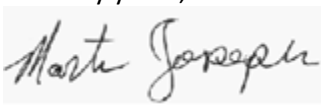
Taxes for the first year of condominium operation will be comprised of 83% of the taxes due for the 2024/25 tax year and 17% of the taxes due for the 2025/26 tax year.

Disclaimer

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

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

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

EXHIBIT H: INCOME TAX OPINION LETTER

Allen A. Herman, P.C.
ATTORNEY AT LAW
614 Hempstead Gardens Drive, Suite 100
West Hempstead, New York 11552

TELEPHONE
(516) 565-9600

FACSIMILE
(516) 565-9606

ALLEN A. HERMAN
Admitted in NY and NJ

November 30, 2023

Ladies and Gentlemen:

In conjunction with the preparation of a tax return for you, we express our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the attached Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Residential Units, any Residential Unit that is used for mixed residential/non-residential purposes, or any Units other than the Residential Units (such as the Non-Residential Units), or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Mortgage Interest and Real Estate Tax Deductions - Federal

On December 22, 2017 President Trump signed into Law legislation commonly known as the Tax Cuts and Jobs Act (the "2017 Act"). The 2017 Act made changes to the Code that are generally effective for individual taxpayers for the period January 1, 2018 through December 31, 2025 at which point the relevant Code provisions in effect prior to 2018 again become effective. The 2017 Act makes significant changes to pre-2018 Code provisions relating to tax and interest deductions for home ownership. Because of the transitory nature of many of the tax Law changes

discussed in this opinion, we discuss both the current 2017 Act for the period January 1, 2018 through December 31, 2025 and the pre-2018 Code provisions for the period January 1, 2026 and thereafter.

January 1, 2018 Through December 31, 2025

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that for the taxable year beginning on or after January 1, 2018 and before January 1, 2026 an owner of a Residential Unit who itemizes his or her deductions will be entitled under current Law to deduct from his or her gross income for Federal income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to an overall limitation under the 2017 Act of $10,000 ($5,000 for a married individual filing a separate return) for the aggregate of state and local property taxes and state and local income taxes for such year. Since the deductions for state and local taxes are so restricted under the 2017 Act, Residential Unit Owners should consider whether to claim the standard deduction in lieu of electing to itemize deductions. Owners of the Residential Units should consult their tax advisers regarding the applicability of the alternative minimum tax to the deductibility of real estate taxes and whether to claim the standard deduction instead.

Under the 2017 Act a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to, for debt incurred on or after December 15, 2017, a maximum of $750,000 in indebtedness for any period ($375,000 in the case of a married individual filing a separate return). The deduction for interest allowable under the pre-2018 Code attributable to home equity indebtedness, not to exceed $100,000, is suspended through December 31, 2025 for calendar year taxpayers. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, for the taxable year beginning on or after January 1, 2018 and before January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, interest paid or accrued by him or her on acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return) with respect to his or her Residential Unit. Such Unit Owners should also consider whether to take the increased standard deduction allowed under the 2017 Act and discussed in the tax deduction portion of this

letter, in lieu of electing to itemize deductions. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans.

January 1, 2026 and Forward

Effective for taxable years beginning on or after January 1, 2026, the pre-2018 Code provisions will be applicable to the deductibility of mortgage interest and real estate taxes. The pre-2018 Code provisions and its effect on our opinions are described below.

It is our opinion that an owner of a Residential Unit who itemizes his or her deductions with respect to a taxable year beginning on or after January 1, 2026 will be entitled to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, suspended during the period January 1, 2018 through December 31, 2025, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. The $10,000 overall limit on the deduction of state and local property and income taxes under the 2017 Act will not apply. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax as in effect prior to January 1, 2018. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

With respect to taxable years beginning on or after January 1, 2026 a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. The restrictions under the 2017 Act for $750,000 and $375,000 in acquisition indebtedness and the disallowance for home equity indebtedness will not apply in this period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under Law in effect in the taxable year beginning on or after January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with

respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Mortgage Interest and Real Estate Tax Deductions – New York State and City

Beginning with tax year 2018, the New York Tax Law allows you to itemize your deductions for New York State income tax purposes whether or not you itemized your deductions on your federal income tax return. See TSB-M-18(6)I, where New York State Decouples from Certain Personal Income Tax Internal Revenue Code (IRC) Changes for 2018 and after, for more information on this change.

In general, your New York itemized deductions are computed using the federal rules as they existed prior to the changes made to the Internal Revenue Code (IRC) by the Tax Cuts and Jobs Act (Public Law 115-97).

Additionally, a negative adjustment begins for New York itemized deductions when the New York Adjusted Gross Income (NYAGI) exceeds $100,000 and the adjustments work on a sliding scale as one's NYAGI increases. Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

Section 528 Homeowners Association

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or

assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that 98% of the total square footage of all Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. In making that determination, we note that the Condominium has not been constructed and that either a decrease in the square footage of the Residential Units from that shown in Schedule A to the Plan, or an increase in the square footage of the Non-Residential Units from that shown in Schedule A to the Plan, or a combination of both, when constructed may cause the square footage of all Residential Units of the Condominium to be less than 85% of the total square footage of all Units. If that should be the case, the Condominium will not be eligible to elect to be treated as a homeowners association. Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2025 (the "2020 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current Law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2020 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2020 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2020 Taxable Year, or the expenses for non association property increases by a small amount in the 2020 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2020 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2020 Taxable Year.

Absent the application of Code Section 528, the present state of federal Law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Board will each act as the agent of the

Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State Law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City Laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed herein, or as to the tax status or tax consequences of the Plan under the Laws of any other U.S. or foreign jurisdiction. No assurances can be given that the tax Laws referenced herein will not change or be interpreted differently by regulations or court decisions subsequent to the date of this writing.

Sincerely,

Allen A. Herman, P.C.

By:_____

EXHIBIT I: COUNSEL 339(i) OPINION LETTER

GETLER, GOMES & SUTTON, PC
TWO EXECUTIVE BOULEVARD, SUITE 410
SUFFERN, NEW YORK 10901
(845) 533 4475
FACSIMILE: (845) 533 4477

Section 339(i) Counsel Opinion Letter

December 4, 2023

New York State Department of Law
28 Liberty Street
New York, New York
Attn: Real Estate Finance Bureau

Re: 68 Commercial Street Condominium – 68 Commercial Street, Brooklyn, New York

Ladies and Gentlemen:

You have requested our opinion concerning compliance with Section 339(i) of the New York Real Property Law in assigning percentage of Common Interests to each Unit in the Condominium. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined Schedule A thereto and the Declaration establishing the Condominium contained therein. We have also considered the relevant sections of the Condominium Act and such other materials as we deemed relevant. In rendering this opinion we have relied upon the determinations contained in the letter of Brooklive Management and their certification of adequacy of budget and common charges.

Based on the foregoing, it is our opinion that the Sponsor has complied with Section 339(i)(1)(iv) in that the percentages of Common interest were computed based on the floor space of each Unit subject to the location of such space and the additional facts of relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. In rendering this opinion, we have not inspected the Units but we have relied on the drawings and certifications as done by Orville Hayles, Architect, and the Brooklive Management letters.

This opinion is based upon existing rules of law applied to the facts and documents referred to above, but it is not a guarantee to Purchasers. In no event will the Sponsor, any Selling Agent, Getler, Gomes & Sutton, P.C., or the Board of Managers of the Condominium be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in Section 339 of the Real Property Law or other applicable Law.

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

Very Truly Yours,
Getler, Gomes, & Sutton, P.C.



By:_____
Janine A. Getler

EXHIBIT J: CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS

December 11, 2023

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, Floor 15
New York, New York 10005

Re: The 68 Commercial Street Condominium
68 Commercial Street, Brooklyn, New York

To Whom It May Concern:

We are the Sponsor and the Principals of Sponsor of the Condominium Offering Plan for the above captioned Property.

We understand that we have a primary responsibility for complaisance with the provisions of Article 23-A of the General Business Law, the regulation's promulgated by the Attorney General in Part 20 and such other laws and regulations 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 exercises due diligence to form a basis for making this certification. We jointly and severely certify that the Offering Plan does, and that all document submitted hereafter by us, which amend of supplement the Offering Plan will:

(i) Set forth the detailed terms of the transaction and be complete, current and accurate;
(ii) Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
(iii) Not omit any material fact;
(iv) Not contain any untrue statement of a material fact;
(v) Not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
(vi) Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
(vii) Not contain any representation or statement which is false, where we:
   a. Knew the truth;
   b. With reasonable effort could have known the truth;
   c. Made with no reasonable effort to ascertain the truth; or
   d. Did not have the 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.

Sponsor: 68 Commercial Street LLC

By: Elazar Eric Orlofsky
Title: Authorized Signatory

Principals:

Elazar Eric Orlofsky

Sworn to before me this
11th day of December, 2023

Notary Public

ROBERT TEPER
Notary Public - State of New York
NO. 01TE6329936
Qualified In Nassau County
My Commission Expires Aug 31, 2027

EXHIBIT K: CERTIFICATION OF SPONSOR'S ARCHITECT

ORVILLE HAYLES, R.A.
990 PRESIDENT STREET, 1H
BROOKLYN, NY 11225
Phone : (718) 756-5768

**CERTIFICATION BY SPONSOR'S ARCHITECT
PURSUANT TO PART 20.4 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED**

Department of Law of
The State of New York
28 Liberty Street, 21st Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 68 Commercial Street
Brooklyn, New York 11222

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained me to prepare a report describing the construction of the property (hereinafter "the Report"). I visually inspected existing portions of the property, if any on April 22nd, 2023. I examined the building plans and specifications, prepared by STUDIOSC Architecture PLLC, 37 Greenpoint Avenue, Suite 502, Brooklyn, NY 11222; dated April 5th, 2022, and prepared the original Report dated, May 30th, 2023.

I have also prepared the amended Report dated December 1st 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 licensed Architect, registered in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to this "Report".

I have read the entire Report and investigated the facts set forth therein 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 does:

(i) set forth in narrative form the description and / or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications which I examined.

(ii) in my professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction provided that construction is in accordance with the plans and specifications which I examined.

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, or suppression;

(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 statement or representation 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 statements made.

I further certify that I am not owned or controlled by, and have no beneficial interest, in the Sponsors, and that my compensation for preparing the Report is not contingent on the conversion of the property to condominium ownership, 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.



ORVILLE HAYLES, R.A.
990 PRESIDENT STREET, 1H
BROOKLYN, NY 11225
Phone : (718) 756-5768

Sworn to before me this

1st day of Dec, 2023

Notary Public

Regina J. Brooks
Notary Public State of New York
No. 01BR6310577 Kings County
Comission Expires 08/25/2026

EXHIBIT L: CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

Brooklive Management
3008 Avenue J
Suite 103
Brooklyn NY 11210
718-450-9550

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-1 AS AMENDED

December 5th, 2023

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, Floor 15
New York, New York 10005

Re: The 68 Commercial Street Condominium
68 Commercial Street, Brooklyn, New York

The Sponsor of the Condominium Offering Plan for the above captioned Property retained our firm to review Schedules B and B-1 (the "Schedules") containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes the management of condominiums and rental properties, including buildings with commercial space, and commercial real estate for more than five (5) years. The principals of our firm have managed more than 500 units in ten (10) buildings.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projection in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the first year of condominium operation.

We certify that the Schedules:

(i) Set forth in detail the projection of income and expense for the first year of condominium operation;

(ii) Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
(iii) Do not omit any material fact;
(iv) Do not contain any untrue statement of a material fact;
(v) Do not contain any fraud, deception, concealment, or suppression;
(vi) Do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
(vii) Do not contain any representation or statement which is false, where we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have the knowledge concerning the representations made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of the Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to civil and criminal penalties of the General Business Law and Penal Law.

COMPANY NAME

By: _____
Max Kozlowitz

Sworn to before me this
10 day of December, 2023

_____
Notary Public

JACKELIN ARANA
STATE OF NEW YORK
NOTARY PUBLIC
01AR6393710
EXP. JUNE 24, 2027
KINGS COUNTY