CONDOMINIUM OFFERING PLAN

THE 171 LUQUER STREET CONDOMINIUM
171 LUQUER STREET
BROOKLYN, KINGS COUNTY, NEW YORK 11231

Residential Units.....4	**$4,800,000.00**
(3 Residential Units Offered for Sale)	
Total Amount of Offering	**$4,800,000.00**

SPONSOR AND SELLING AGENT:

171 LUQUER LLC
295 COLUMBIA STREET, #9
BROOKLYN, NEW YORK 11231

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

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

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

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

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

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DEFINITIONS

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

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

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

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

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

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

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

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

Condominium Documents: The Declaration of Condominium, By-Laws, and Condominium Maps as recorded in the Kings County Office of the City Register of the State of New York.

Consummation of the Plan: The filing of the Declaration of the condominium and the first transfer of title to a condominium Unit to at least one purchaser under the Plan

following a declaration of effectiveness by the Sponsor.

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

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

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

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

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

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

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

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

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

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

Sponsor: 171 Luquer LLC, 295 Columbia Street, #9, Brooklyn, New York 11231.

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

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

SPECIAL RISKS

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

1) The Sponsor is not limiting the conditions under which it will rent rather than sell units after consummation of the Offering Plan. There is no commitment to sell more than one (1) residential unit in this Condominium, which is the minimum necessary to declare the plan effective. Owner-Occupants, therefore, may never gain effective control and management of the condominium. There are no requirements or restrictions on renting imposed by a construction lender. Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

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

3) There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. **TIME IS OF THE ESSENCE** as to all such time constraints. This means that if the Purchaser fails to perform within the applicable time frame they may waive substantive rights or incur a forfeiture of substantial sums of money. Thus, a purchaser who fails to cure a default within thirty (30) days after receipt of written notice of said default will both have the Purchase Agreement canceled and lose their contract deposit. Similarly, a purchaser who fails to notify the Sponsor in the event they have failed to obtain mortgage financing within forty (40) days after receipt of a fully executed Purchase Agreement will be required to proceed to closing notwithstanding the fact that the purchaser has failed to obtain mortgage financing; if such purchaser fails to proceed to closing, the contract deposit may be retained by the Sponsor.

If a purchaser fails to close on the date set for first closing or adjourns a scheduled closing date on less than three (3) days' notice there shall be a late closing adjournment fee of $250.00 added to the purchaser's closing costs. Any and all rates of interest for penalties incurred by a purchaser in connection with purchaser's delay in closing shall not exceed New York State usury laws. Please see the sections of this Plan entitled CLOSING COSTS AND ADJUSTMENTS and PROCEDURE TO PURCHASE. Purchasers are advised to consult with their attorneys concerning all terms of this offering. Please see the section of this Plan entitled PROCEDURE TO PURCHASE, and the PURCHASE AGREEMENT set forth in Part II, for a statement of all applicable time limitations.

4) In general, sellers of real property are obligated to pay the New York State Transfer Tax ("NYSTT"), currently $4.00 per $1,000 of the purchase price of a Unit less existing and continuing mortgage. However, the terms of this Offering Plan and the PURCHASE AGREEMENT included in Part II herein transfer the statutory obligation to pay the NYSTT to the Purchaser. The New York State Tax Law Section 1404(a) (the "Amended Tax Law") has been amended as of July 1, 2021. Pursuant to the Amended Tax Law, transfer taxes shall not be payable, directly or indirectly, by the Purchaser unless the same is explicitly provided for under the Purchase Agreement between Sponsor and Purchaser. The Purchase Agreement located in Part II of this Offering Plan explicitly provides that the Purchaser shall be responsible for paying the NYSTT. Therefore, the Purchase Agreement imposes this obligation upon the Purchaser. The NYSTT will no longer be "grossed up."

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

5) On March 31, 2019, New York State announced additions to the base real estate transfer tax ("transfer tax") and established a new supplemental tax ("supplemental tax") on certain conveyances of real property within New York State occurring after July 1, 2019. These amended tax rates apply only to conveyances of real property in cities with a population of 1 million or more (which includes only New York City as of this date). The additional transfer tax applies only to conveyances of residential real property when the consideration for the conveyance is $3 million or more, and conveyances of any other property when the consideration for the conveyance is $2 million or more. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is $2 million or more. Purchasers shall be responsible

for paying the base transfer tax and supplemental tax. The purchaser's payment of the base transfer tax will itself be deemed additional consideration, resulting in a "tax on a tax" effect. Purchasers are advised to consult with their own counsel concerning transfer taxes and other closing costs. Please see CLOSING COSTS AND ADJUSTMENTS section of the Offering Plan for a more complete explanation.

6) At closing each Purchaser shall pay a reimbursement fee of $2,500.00 to the Sponsor as partial reimbursement for the costs of preparing and filing the Offering Plan. Additionally, the Purchaser is responsible for paying to the Sponsor's attorney a document preparation fee of $2,500.00, for paying to the Condominium a working capital fund contribution in an amount equal to two months' common charges for the Unit, and may be responsible for certain other fees such as condo questionnaire completion fees ($250), and travel fees ($500-$1000). Under no circumstances will Sponsor be required to close at any place other than a location designated by Sponsor's Attorney. In the event that the Purchaser requests and the Sponsor consents to a closing outside of a location designated by Sponsor's Attorney, there will be an attendance fee of $500.00 for closings in Kings County or $1,000 for closings in any other location. Please see the section of the Offering Plan entitled CLOSING COSTS AND ADJUSTMENTS.

7) Transfer of control of the Condominium Board of Managers shall pass to unit owners other than the Sponsor at the earlier of: 1) thirty (30) days after the date by which 75% of the units have been conveyed to unit purchasers, or 2) three (3) years after the first conveyance of a unit to a unit purchaser. After the expiration of the Sponsor control period, Sponsor will not exercise any voting control that it may have through Sponsor's ownership of a majority of the units and common elements and will not nominate and vote for affiliated parties as board members. Notwithstanding the foregoing, Sponsor may vote for unit owners of its choice. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions that can be taken by the Board of Managers while the Sponsor remains in control of the Board of Managers. Such limitations are set forth in the CONTROL BY THE SPONSOR of this Offering Plan.

Until the earlier of five (5) years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those expenses described in Schedule B or expenses required to comply with applicable laws or regulations, to remedy any notice of violation, or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or to remedy any work order by an insurer. Additionally, so long as the Sponsor retains ownership of at least one unit in the building,

the By-Laws, Declaration, and Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

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

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

9) Pursuant to existing law and regulation, the Sponsor may declare the plan effective by selling a minimum of fifteen (15%) percent of the residential units in the building, which in the case of this Plan is one (1) unit. If the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a condominium even though there is no guarantee that all of the purchasers counted towards effectiveness will ultimately purchase their units. The Plan would have to be re-declared effective in the event that purchasers counted towards effectiveness failed to close their sales, even if the Declaration has been recorded. Please see the EFFECTIVE DATE section of this Offering Plan.

10) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the Sponsor or holder of unsold units has not sold a substantial percentage of the units in a building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original Sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell a unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

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

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

12) The cost of providing heat and hot water for individual units is not included in the monthly Common Charges. Heat and hot water are separately provided to each unit, and the cost of utilities for providing such heat and hot water will be separately billed for each unit. Thus, the cost of heat and hot water represents a cost in addition to the monthly Common Charges. Please see FOOTNOTES TO SCHEDULE B and SCHEDULE B1.

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

14) Unit 1 will include a rear yard area and an areaway allocated as limited common elements. Units 2, 3, and 4 will each include a balcony allocated as a limited common element. No structures of any kind may be built in or on these limited common elements except for temporary structures such as screen tents or sukkots. The right to use and occupancy is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs. Please see SCHEDULE A and the ARCHITECT'S REPORT and BYLAWS included in Part II of this Offering Plan for a more complete explanation.

15) Unit 1 is not being offered for sale. Because Sponsor is withholding units from the initial offer, and there is no commitment to sell more than 15% of the total units in the condominium necessary to declare the Offering Plan effective, the Offering Plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor, and owner-occupants may never gain effective control and management of the condominium. One (1) unit will constitute

15% of the total number of anticipated units in the condominium required to declare the offering plan effective. The Sponsor will at all times offer at least 15% of the total number of anticipated units to the public prior to effectiveness. Advertising material that contains percentage of units sold must calculate the percentage of units sold using the **total** number of anticipated units in the condominium rather than the number of units offered at that time. Sponsor will not rent the withheld units before consummation of the Offering Plan. Sponsor's withholding of units will not affect the timetable for the projected completion of the condominium. There is no current timeline for release of units onto the market. Sponsor will, however, amend the offering plan if and when it decides to offer the withheld unit for sale. Please see the INTRODUCTION and RIGHTS AND OBLIGATIONS OF SPONSOR sections in Part I of the Plan.

16) At each unit closing the Sponsor will transfer maintenance manuals and warranties for said Unit, as applicable, to the Purchaser. At the meeting of the Board of Managers to be convened within sixty (60) days after the closing of the first unit the Sponsor will transfer construction documents, including "as-built" materials, maintenance manuals, and warranties, as applicable, to the Condominium. Please see the CONTROL BY THE SPONSOR section in Part I and the ARCHITECT'S REPORT located in Part II of this Offering Plan.

17) The obligations of a Purchaser under a Purchase Agreement are conditioned on the Purchaser obtaining financing. If a Purchaser intends to obtain mortgage financing, such Purchaser shall apply for said loan within five (5) days after receipt of a fully executed copy of the PURCHASE AGREEMENT and shall have forty (40) days from receipt of a fully executed copy of said PURCHASE AGREEMENT to obtain said mortgage commitment. A purchaser may use any institutional lender of their choosing that is authorized to do business in the State of New York. Purchaser agrees to accept any commitment offered by the lending institution applied to, provided that the loan offered by the lending institution is for at least the amount of the loan contemplated in the PURCHASE AGREEMENT. In the event Purchaser obtains a firm written commitment for financing and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing then Purchaser shall be under a good faith duty to take all required actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution; however, in the event Purchaser has made such good faith effort to extend the commitment on the same terms and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, and that Purchaser is exercising his right to rescind the contract, then Sponsor will return the down payment. Under New York law,

when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and Sponsor will grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right. Please see PROCEDURE TO PURCHASE in Part I, and PURCHASE AGREEMENT located in Part II of this Offering Plan.

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

19) The Sponsor will install in each residential unit a five-burner electric cooking range, Frigidaire model # FCRE3052AS or equivalent, a refrigerator, model # FFHT1621TS or equivalent, and a dishwasher, Frigidare model # FFCD2413US or equivalent. There will be one laundry closet provided within each unit with hookups for domestic, stackable type electric washer and ventless electric dryers. Please note that no dryer ventilation duct is provided. Purchase and installation of the actual laundry equipment will be the responsibility of each unit's occupant. There will be no mechanical ventilation provided for the laundry/mechanical closets. Doors will be undercut to allow for natural air intake. There will be no exhaust ventilation ducts provided for electric dryers and electric hot water heaters in the laundry/mechanical closets. Unit owners are advised to leave the door to the laundry closets open while a dryer is in use. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see the ARCHITECT'S REPORT included in Part II of this Offering Plan.

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

1. Time periods during which work is permitted;
2. The manner in which construction degree will be handled;
3. Measures which must be taken to prevent compromising the security of the building during construction;

4. Interruption of services during construction;
5. Liability insurance for contractors during construction.

The building Certificate of Occupancy and applicable zoning rules will not allow the construction of anything on the roof. Any structural damage occurring to the roof shall be the sole responsibility of the Condominium and/or any such Unit Owner causing such damage and will need to be repaired at the Condominium or such Unit Owner's sole cost and expense as determined by the Condominium Board of Managers. Additionally, any warranty described in Part II may be voided by improper use of the roof. Any damage caused by the Sponsor shall be the responsibility of Sponsor to repair. The expected life span of the roof type is ten (10) years. A ten year "No Dollar Limit Manufacturer's Warranty" on materials will be provided by the roof manufacturer. The warranty period shall commence upon completion of installation. There will be no labor warranty or guarantee provided. Please see ARCHITECT'S REPORT included in this Offering Plan.

21) The unit owner is responsible for keeping safety warning devices (i.e., smoke detector and carbon monoxide detector) operational. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS sections located in Part I of this Offering Plan and the ARCHITECT'S REPORT located in Part II of the Offering Plan.

22) The Sponsor anticipates that the first closing of a unit will occur by July 1, 2024. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than June 30, 2025, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

Purchasers should note that even if the first closing occurs on or before July 1, 2024, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, that Sponsor cannot convey title to the unit on or before twelve (12) months from the date of the Purchase Agreement, affected purchasers will be offered a right of rescission.

Purchasers will have at least fifteen (15) days from presentation of an offer of rescission within which to elect to rescind. Please see the PROCEDURE TO PURCHASE section

located in Part I of this Offering Plan and Paragraph 7 of the PURCHASE AGREEMENT located in Part II of this Offering Plan.

23) Individual unit owners are responsible for repairs to and maintenance within their own condominium units and will be required to obtain HO-6 (wall-to-wall) insurance coverage at their own cost and expense to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence that might occur within their respective apartments. Otherwise, unit owners would not be covered for risks such as fire and casualty losses within their apartments. The condominium Board of Managers is not obligated to repair and maintain individual apartments, nor provide casualty and/or liability insurance for occurrences that may occur in individual apartments. Please see RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS included herein.

24) The condominium Board does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a substantial percentage of owners who are non-residents. Please see the BOARD OF MANAGERS section located in Part I of this Offering Plan.

25) New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy; the policy for this condominium is as follows: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS section of this Offering Plan.

26) The condominium budget for the first year of operation does not include expenses for a managing agent. Due to the size of the building it is anticipated that the building will be self-managing. The Sponsor will manage the condominium during the control period. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 10-20% of the annual operating budget, which would require a concomitant increase in the common charges. Please see FOOTNOTES TO SCHEDULE B included in this Offering Plan.

27) The condominium budget for the first year of operation does not include expenses for a superintendent. Due to the size of the building it is expected that no superintendent will be employed. Should the Board of Managers elect at any time to employ the services of a superintendent, this will represent an additional cost, which would require a concomitant increase in the common charges. The amount of such increase would vary based upon factors such the number of superintendent hours per week and the union or non-union status of the superintendent but could represent an additional cost of approximately 35% of the annual operating budget. Please see FOOTNOTES TO SCHEDULE B included in this Offering Plan. Activities which the unit owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping and minor repairs.

28) The cellar floor level of the subject premises contains accessory space for Unit 1. The cellar is not a habitable space and is for accessory use only—not to be used for sleeping, cooking, or living purposes, or to be rented independently—as such spaces are uninhabitable with less light and air than the habitable spaces and are more susceptible to dampness. Use of the cellar floor level for any dining or living purposes may result in a building code violation. Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

29) Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor has the option of determining whether it will restore the damaged unit; if the Sponsor opts to restore the damaged unit, it will restore same to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. The Purchaser shall have fifteen (15) days therefrom to exercise his right of rescission, and Purchaser's down payment shall be returned to Purchaser within ten (10) days from the date of receipt by Sponsor of Purchaser's rescission. An interim lessee assumes the risk of loss to their personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person in possession prior to closing assumes the

risk of losses not covered by insurance. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance, and whether they might be able to obtain renters' insurance. Please see the PROCEDURE TO PURCHASE section of the Offering Plan.

30) In the absence of any written agreement to the contrary between the parties, any matter permitted to be determined by arbitration pursuant to the terms of the Condominium Documents that the parties have opted to determine by arbitration shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. The single arbitrator will be an independent third party unrelated to either party in the dispute. Any dispute relating to the expenses to be borne by Unit Owners, or other matters between Unit Owners and the Board of Managers, or between Unit Owners shall be submitted to arbitration in accordance with the By-Laws. The Condominium By-Laws do not provide for a waiver of jury trial. The foregoing does not in any way abrogate or modify the rights of Purchasers and Unit Owners pursuant to the Martin Act and governing regulations. Please see Article IX of the CONDOMINIUM BY-LAWS located in Part II of this Offering Plan.

31) Disputes regarding the disposition of down payments, deposits, or advances received by the Sponsor shall NOT be required to be submitted to arbitration. In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the Unit in accordance with the terms of the Purchase Agreement (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan), the sole remedy of the Purchaser shall be to rescind the Purchase Agreement and be refunded the entire contract deposit plus the cost of title searches, if any. Any conflict between the Plan and the Purchase Agreement shall be resolved according to the terms of the Plan. Nothing contained in the Purchase Agreement or the Plan shall be construed to waive a Purchaser's right to abrogate Sponsor's obligations under Article 23-A of the GBL. Please see the PROCEDURE TO PURCHASE section of this Offering Plan and the PURCHASE AGREEMENT located in Part II of this Offering Plan.

32) On November 1, 2021, the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of a revised Geographic Targeting Order ("GTO"). This revised GTO requires U.S. title insurance companies to identify and report to FinCEN the natural persons behind companies making certain "all-cash" purchases of residential real property located within New York City where the purchase price exceeds $300,000.00. The subject premises are located within this GTO. All-cash purchasers closing after

November 1, 2021 will be subject to the reporting requirements of this GTO. Purchasers are advised to confer with their own counsel regarding the effects of the GTO on their real estate purchases.

33) Sponsor is not creating a fund on closing to be used as a reserve for capital expenditures. However, the budget for the first year of condominium operation in SCHEDULE B includes a budgeted yearly Capital Reserve Fund for repair and replacement of major systems or structural elements of the building. This budgeted item will start the gradual creation of a reserve fund. Unit owners will therefore be contributing to the yearly Capital Reserve Fund through their common charges, beginning with common charge adjustments paid at the closings of their individual condominium units. (Unit owners will also, at closing, pay their contributions to the building's Working Capital Fund.) In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. However, in the Sponsor's estimation, and in view of the fact that the building is newly renovated, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan. While the Sponsor is in control of the Board of Managers, the reserve fund may not be used to reduce projected common charges in the Plan. Please see SCHEDULE B and FOOTNOTES TO SCHEDULE B for a more complete explanation.

34) The New York State Housing Merchant Implied Warranty Law does not apply to this offering. However, Sponsor remains under a duty to construct the premises in accordance with all applicable codes, filed plans, and specifications, and, for items not covered by local building codes, locally accepted building practices for such items. Any conflict between the disclaimers made in this Plan and Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Please see SCHEDULE A, ARCHITECT'S REPORT, and RIGHTS AND OBLIGATIONS OF THE SPONSOR included in Part I of this Offering Plan and Exhibit A to the PURCHASE AGREEMENT on page PA13 included in Part II of this Offering Plan.

35) The projected insurance coverage for the building does not include officers' and directors' liability. Officers' and directors' liability is a type of coverage which protects members of the Board of Managers or officers of the condominium from any liability engendered by performance of their functions, to the extent such activities are within the scope of their designated capacities and do not constitute criminal acts by such officer(s)

or manager(s). In the event the condominium wishes to extend such insurance coverage to its directors and managers, this will represent an additional cost over the amount projected for insurance coverage in Schedule B. Please see SCHEDULE B and FOOTNOTES TO SCHEDULE B for a more complete explanation.

36) Principals of Sponsor have executed the Certification of Sponsor and Principals set forth in Part II of the Plan solely for Martin Act purposes. Consistent with a First Department decision in Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, *et.al.*, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013), the Principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. Please see CERTIFICATION OF SPONSOR AND PRINCIPALS located in Part II of this Offering Plan.

37) Sponsor is reserving the right to delay the collection of Common Charges beyond when they are due and payable. 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 obligated to update the budget for the Condominium as required by 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 notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the 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 to the Offering Plan as a benefit to subsequent Purchasers. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR.

38) In the event a purchaser takes possession of a unit prior to closing pursuant to an Interim Lease, upon a non-monetary default by Purchaser under the terms of the Interim Lease which is not cured within 30 days after notice thereof, or immediately after Purchaser exercises any right of rescission with respect to the Purchase Agreement,

Purchaser's right to occupy the apartment will terminate, and PURCHASER must vacate the apartment by the expiration of 30 days after the date of mailing of a written notice of default from Sponsor to Purchaser. Purchaser shall pay to Sponsor a fee for each day they remain in possession following the periods set forth above. Nothing contained herein shall be construed so as to limit Sponsor's ability to have Purchaser evicted from the premises and to pursue any other legal remedy available to Sponsor, nor shall anything herein be construed as a waiver by the Sponsor of its right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement. Sponsor shall not seek or accept release of any portion of a Purchaser's down payment until the offering plan has been consummated. See the SAMPLE INTERIM LEASE set forth in Part II of the Plan.

39) The square footage of the units listed in SCHEDULE A of this Offering Plan is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The square footage of each unit is based upon a "gross" square footage calculated as follows: 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. As a result, the actual area comprising the condominium unit is significantly less than listed in Schedule A. The estimated square footage of each unit is based on the FLOOR PLANS and ARCHITECT'S REPORT set forth in Part II of this Offering Plan and may vary within reasonable tolerances from the "as-built" square footage as subsequently described in the condominium Declaration.

40) A Unit Owner shall grant a right of access to his Unit, to the Manager, the other Unit Owners, and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Specifically, there shall be an easement through Unit 1 for access to the sprinkler mechanical room and electric meter room at the cellar level for maintenance and inspection purposes. Please see the BY-LAWS located in Part II of this Offering Plan.

41) The building has a current Certificate of Occupancy, no. 143462, from a previous Alteration, no. 3671-1946, which establishes the current use of the building as a four family multiple dwelling. The Sponsor will obtain signoff from the New York City Department of Buildings for rear extension and interior renovation of the building pursuant to a Type 2 Alteration (Alt-2), application number B08020385. The building is an existing four unit residential building and will remain as such. Therefore, the existing Certificate of Occupancy will remain. Please see the ARCHITECT'S REPORT section of this Offering Plan located in Part II.

42) The original building is an existing residential dwelling built approximately in the year 1910 which is undergoing a complete gut renovation and horizontal extension. All trims, frames, lintels, panels, or any other elements that were painted surfaces will be removed. All new painted finishes shall be non-lead based paint finishes. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Sponsor and its principals are in compliance with New York City Local Law 1 of 2004. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included in Part II of this Offering Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for, lead paint. See ARCHITECT'S REPORT located in Part II of this Offering Plan.

43) The premises are located in the Columbia Street Waterfront district of Brooklyn. There are no hazardous materials or Environmental Restriction designations present on the property. The site is located in a non-shaded Zone X with FEMA Map panel number 3604970211F and preliminary map panel 3604970211G. The location indicates that the site is in an area determined to be outside of the 0.2% annual chance flood plain and of minimal flood hazard. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code. Unit Owners may obtain flood insurance at their own expense. Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

44) After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units. There is often a gap in time between the date the New York City Department of Finance ("DOF") subdivides the separate tax lots for the individual units

and the date the individual units receive their own individual property tax bills. Purchasers shall be responsible for their real estate taxes from the date of their unit closing even in the event that the DOF has not yet issued separate tax bills for the separate unit tax lots. In such instance purchasers would be responsible for the portion of the building tax bill attributable to their unit's percentage of common interest. If the Sponsor has prepaid property taxes for the building then the purchaser shall be responsible for reimbursing the Sponsor for the portion of the tax bill attributable to their unit from the date of unit closing. Please see the REAL ESTATE TAXES section of this Offering Plan.

45) There are no felony convictions, convictions of any kind, bankruptcies, or injunctions against the Sponsor or principal of the Sponsor except that on December 7, 2015, Mr. Vitale pled guilty to giving a gratuity to a building inspector, a misdemeanor. He paid a fine and was issued a certificate of relief the same day. The matter was terminated. Please see the IDENTITY OF PARTIES section of this Offering Plan.

46) There are no 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 15 years prior to the submission of this Offering Plan except as follows: Supreme Court of the City of New York, County of Kings, Index no. 27146/2010. Plaintiff Anna Mockler was a unit owner and former member of the condominium board of managers of the 128 Pioneer Street Condominium, 128 Pioneer Street, Brooklyn, NY. Ms. Mockler brought suit against the sponsor (Castle Properties LLC), principals, and condominium, alleging that she was told it would be possible to add an additional floor to the building. The outcome of the case was a judgment in favor of Ms. Mockler in the amount of $200,500.80, which the defendants satisfied. The matter has been terminated since 2018. Please see the IDENTITY OF PARTIES section of this Offering Plan.

47) The building shares party walls with the adjacent buildings on either side. The party walls are centered on the side lot lines. Each party wall's width spans across two lots. Each lot shares this wall and is jointly responsible with the owners of the adjoining properties for the structural maintenance, weather protection, vertical fire division, and any other related applicable code and regulation requirements for party walls. The existing party walls are load-bearing and consist of solid brick masonry with a minimum thickness of 8 inches and a minimum fire resistance rating of three hours. They are in good condition and shall remain. Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

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INTRODUCTION

This is an Offering Plan for the sale of condominium apartments at 171 Luquer Street, Brooklyn, New York 11231. The purpose of this plan is to set forth fully all material terms of the offer. This plan may be amended from time to time if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchase Agreement for any unit, all unit owners, and all other persons entitled to service pursuant to 13 N.Y.C.R.R. § 20.3(d)(1).

The Sponsor of this offering is 171 Luquer LLC, a New York limited liability company formed on May 18, 2022, with offices located at 295 Columbia Street, #9, Brooklyn, New York 11231. The principal of the Sponsor is Gino Vitale. The Sponsor acquired title to the property on August 30, 2022. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances other than the easements disclosed in the Terms of Sale section of this Offering Plan. Units will be conveyed by delivery of a UNIT DEED as set forth in Part II of this Offering Plan.

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

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

This plan, including all schedules and exhibits submitted herewith, constitutes the entire Offering Plan. Copies of the plan and Parts A, B, C, and D of the exhibits will be available for inspection to potential purchasers and their attorneys at the office of the Sponsor indicated on the front cover of this Offering Plan, and the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York, without charge, and for copying, at a reasonable charge.

The premises consist of a single building composed of a cellar and four stories, and containing, in aggregate, four (4) residential units. Three (3) residential units will be offered for sale. The property is located in the Carroll Gardens section of Brooklyn in the Columbia Street Waterfront district. There will be no on-site recreational facilities. The Sponsor will install in each residential unit a five-burner electric cooking range, Frigidaire model # FCRE3052AS or equivalent, a refrigerator, model # FFHT1621TS or equivalent, and a dishwasher, Frigidare model # FFCD2413US or equivalent. There will be one

laundry closet provided within each unit with hookups for domestic, stackable type electric washer and electric dryers. Purchase and installation of the actual laundry equipment will be the responsibility of each unit's occupant. There will be no mechanical ventilation provided for the laundry/mechanical closets. Doors will be undercut to allow for natural air intake. There will be no exhaust ventilation ducts provided for electric dryers and electric hot water heaters in the laundry/mechanical closets. Unit owners are advised to leave the door to the laundry closets open while a dryer is in use. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

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

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

The original building is an existing residential dwelling built approximately in the year 1910 which is undergoing a complete gut renovation and horizontal extension. All trims, frames, lintels, panels, or any other elements that were painted surfaces will be removed. All new painted finishes shall be non-lead based paint finishes. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Sponsor and its principals are in compliance with New York City Local Law 1 of 2004. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included in Part II of this Offering Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for, lead paint. See ARCHITECT'S REPORT located in Part II of this Offering Plan.

The estimated date of completion of renovation is December of 2023. The building has a current Certificate of Occupancy, no. 143462, from a previous Alteration, no. 3671-1946, which establishes the current use of the building as a four family multiple dwelling. The

Sponsor will obtain signoff from the New York City Department of Buildings for rear extension and interior renovation of the building pursuant to a Type 2 Alteration (Alt-2), application number B08020385. The building is an existing four unit residential building and will remain as such. Therefore, the existing Certificate of Occupancy will remain.

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

(1) Each purchaser owns their unit outright and is entitled to exclusive possession of such unit. Each purchaser also has an interest in, and a right to use, common elements and exclusive right to use limited common elements of the building. However, each unit owner is obligated to comply with the Declaration, By Laws, rules and regulations, and any other requirements of the Board of Managers.

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

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by such unit owner(s). Thus, in this condominium, Unit 1 will include a rear yard area and an areaway allocated as limited common elements. Units 2, 3, and 4 will each include a balcony allocated as a limited common element.

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

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

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

(6) Individual unit owners are responsible for repairs to and maintenance within their own condominium units and will be required to obtain HO-6 (wall-to-wall) insurance coverage at their own cost and expense to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence that might occur within their respective apartments. Otherwise, unit owners would not be covered for risks such as fire and casualty losses within their apartments. The condominium Board of Managers is not obligated to repair and maintain individual apartments, nor provide casualty and/or liability insurance for occurrences that may occur in individual apartments.

(7) Unit owners are responsible for maintenance and repairs to their individual units and the limited common elements allocated to their units. Maintenance and repairs to the common elements are the responsibility of the condominium Board.

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

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

A Unit Owner shall grant a right of access to their Unit to the Manager, the other Unit Owners, and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or

elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Specifically, there shall be an easement through Unit 1 for access to the sprinkler mechanical room and electric meter room at the cellar level for maintenance and inspection purposes.

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

The property is currently encumbered by a mortgage held by Wall Street Mortgage Bankers, Ltd. DBA Power Express in the amount of $2,080,000.00. Pursuant to 13 NYCRR 20.3(r)(8), if existing mortgages or construction loans will not be satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each mortgagee will either: (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of the condominium; or (iii) release its lien on the condominium unit being conveyed and its interest in the common elements. Sponsor will satisfy this mortgage in full at the closing of the first unit with sale proceeds and, if necessary, Sponsor's own funds. Sponsor has adequate financial resources with which to meet the obligations of the unsold units. There are no lender-set limits or requirements for Sponsor to sell rather than rent units.

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The structure which is the subject of this Offering Plan consists of a single building composed of a cellar and three stories, and will contain, in aggregate, four (4) residential units, three (3) of which will be offered for sale. This project is located in the Carroll Gardens section of Brooklyn in the Columbia Street Waterfront district. There will be no common recreational facilities and no elevator servicing the building. The Sponsor will install in each residential unit a five-burner electric cooking range, Frigidaire model # FCRE3052AS or equivalent, a refrigerator, model # FFHT1621TS or equivalent, and a dishwasher, Frigidaire model # FFCD2413US or equivalent. There will be one laundry closet provided within each unit with hookups for domestic, stackable type electric washer and electric dryers. Purchase and installation of the actual laundry equipment will be the responsibility of each unit's occupant. There will be no mechanical ventilation provided for the laundry/mechanical closets. Doors will be undercut to allow for natural air intake. There will be no exhaust ventilation ducts provided for electric dryers and electric hot water heaters in the laundry/mechanical closets. Unit owners are advised to leave the door to the laundry closets open while a dryer is in use. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit.

The cellar floor level of the subject premises contains accessory space for Unit 1. Such space should be used for recreation only, as it is uninhabitable with less light and air than the residential units. Use of the cellar floor level for any dining or living purposes may result in a building code violation. Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

Certain units will have the right to exclusive use of portions of the common elements of the property. These areas are called limited common elements. Unit 1 will include a rear yard and an areaway allocated as limited common elements. Units 2, 3, and 4 will each include a balcony allocated as a limited common element.

The original building is an existing residential dwelling built approximately in the year 1910 which is undergoing a complete gut renovation and horizontal extension. All trims, frames, lintels, panels, or any other elements that were painted surfaces will be removed. All new painted finishes shall be non-lead based paint finishes. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Sponsor and its principals are in compliance with New York City Local Law 1 of 2004. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included in Part II of this Offering Plan. Purchasers for investment are advised

that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for, lead paint. See ARCHITECT'S REPORT located in Part II of this Offering Plan.

The premises are located in the Columbia Street Waterfront district of Brooklyn. There are no hazardous materials or Environmental Restriction designations present on the property. The site is located in a non-shaded Zone X with FEMA Map panel number 3604970211F and preliminary map panel 3604970211G. The location indicates that the site is in an area determined to be outside of the 0.2% annual chance flood plain and of minimal flood hazard. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code. Unit Owners may obtain flood insurance at their own expense.

The estimated date of completion of renovation is December of 2023. The building has a current Certificate of Occupancy, no. 143462, from a previous Alteration, no. 3671-1946, which establishes the current use of the building as a four family multiple dwelling. The Sponsor will obtain signoff from the New York City Department of Buildings for rear extension and interior renovation of the building pursuant to a Type 2 Alteration (Alt-2), application number B08020385. The building is an existing four unit residential building and will remain as such. Therefore, the existing Certificate of Occupancy will remain.

A Unit Owner shall grant a right of access to his Unit, to the Manager, the other Unit Owners, and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Specifically, there shall be an easement through Unit 1 for access to the sprinkler mechanical room and electric meter room at the cellar level for maintenance and inspection purposes.

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

New York City Administrative Code. The unit owner is responsible for keeping safety warning devices (i.e., smoke detector and carbon monoxide detector) operational.

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

LOCATION AND AREA INFORMATION

The Property is located in the Carroll Gardens section of Brooklyn in the Columbia Street Waterfront district. This is a residential urban neighborhood with stately brownstones and charming architecture that is served by significant shopping, recreational, medical, religious, and educational facilities, as well as a network of streets, roads, and urban transportation. The immediate vicinity of the condominium is residential.

The F and G subway lines serve the area and stop near the subject premises at Carroll Street. The B61 bus, which runs along Columbia Street, also serves the area. The subject premises are located near the Cobble Hill Cinemas and the DiMattina Playground and Dog Run. NYU Langone Medical Center is nearby to the subject premises. The immediate area near the subject premises, as well as the neighboring Carroll Gardens section of Brooklyn, is a bustling area with an assortment of boutique shops and a number of restaurants for fine dining, as well as a number of popular bars and pubs. The various houses of worship near the subject premises serve the Roman Catholic and other Christian communities, and the Kane Street Synagogue is a Jewish house of worship within walking distance. The local public elementary school is P.S. 58. Students and parents may also choose among district-wide public middle schools and city-wide public high schools, as well as choosing among a rich assortment of private secular or religious schools throughout New York City.

Police (76th Precinct), Fire, Water, Sanitation, snow removal, and road maintenance are provided by the City of New York. The site is located in an R6B zone, which permits residential use as-of-right.

The principal of the Sponsor has additional condominium projects located at 110 and 112 Luquer Street. Each such building is being developed as a 3-unit residential condominium.

SCHEDULE A

PURCHASE PRICES AND ALLOCATION OF COMMON INTEREST

171 Luquer Street, Brooklyn, New York

Projected First Year of Operation

July 1, 2024 - June 30, 2025

Unit	Habitable Sq. Ftg. (1A)	Uninhab. Sq. Ftg. (1B)	Bdms/ Bths (2)	% of Common Interest (3)	Offering Price (4)	Estimated Monthly Common Charges (5)	Estimated Annual Common Charges (6)	Post-Completion Estimated Monthly Real Estate Taxes (7)	Post-Completion Estimated Annual Real Estate Taxes (8)	Post-Completion Estimated Monthly Carrying Charges (9)
1	1,057	1,802	2/2f1h	34.52%	-	$393.64	$4,723.72	$375.09	$4,501.06	$768.73
2	926	57	2/2	21.52%	$1,600,000.00	$245.45	$2,945.43	$233.88	$2,806.60	$479.34
3	943	57	2/2	21.91%	$1,600,000.00	$249.89	$2,998.69	$238.11	$2,857.34	$488.00
4	949	57	2/2	22.05%	$1,600,000.00	$251.46	$3,017.48	$239.60	$2,875.25	$491.06
TOTALS	3,875	1,973		100.00%	$4,800,000.00	$1,140.33	$13,684.00	$1,086.69	$13,039.00	$2,227.13

Notes:

1) As part of the "Uninhabitable Square Footages" listed above, Unit 1 will have a cellar accessory area of approximately 923 sf as part of the unit, a rear yard of approximately 783 sf allocated as a limited common element, and an areaway of approximately 96 sf allocated as a limited common element. Unit 2 will include a balcony of approximately 57 sf allocated as a limited common element. Unit 3 will include a balcony of approximately 57 sf allocated as a limited common element. Unit 4 will include a balcony of approximately 57 sf allocated as a limited common element.

2) The cellar accessory space situated within Unit 1 may not be used as a bedroom, living room, or dining room, or for any other use construed as “habitable space” as defined by the New York City Building Code, nor may this space be rented out, as it is uninhabitable with less light and air than the residential units and more susceptible to dampness. Doing so may result in a violation being issued against the Building and a fine imposed, which will be the responsibility of the Unit Owner to correct and remove.

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

FOOTNOTES TO SCHEDULE A

1. The square footage in SCHEDULE A is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The square footage of each unit is based upon a "gross" square footage calculated as follows: 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. As a result, the actual area comprising the condominium unit is significantly less than listed in Schedule A. The estimated square footage of each unit is based on the FLOOR PLANS and ARCHITECT'S DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan and may vary within reasonable tolerances from the "as-built" square footage as subsequently described in the condominium Declaration.

2. The room count is based on the method suggested by the Real Estate Board of New York. This method counts each fully partitioned room as one room, and each bathroom containing a sink, toilet, and shower or bath as a full bathroom. Multi-use rooms, such as living/dining rooms are counted as a single room. Baths that do not include a tub or shower are counted as half baths. Please see the section entitled DESCRIPTION OF PROPERTY AND BUILDING CONDITION, and FLOOR PLANS, both of which are included in Part II of this Offering Plan, for a more complete description of each apartment. Additionally, the square footage set forth in SCHEDULE A is approximate, and may differ, from the square footage specified for this unit in Schedule B to the Condominium Declaration.

3. The determination of percentages of common interest allocated to each unit is based upon floor area, subject to such other items of relative value as the location of the apartment within the building; uniqueness of the apartment; the availability of common elements for exclusive or shared use; and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

4. Across-the-board changes in unit prices, advertised price changes, and increases in individual unit prices may be made only by an amendment duly filed with the New York State Department of Law; however, individually negotiated reductions in the purchase

price of a unit may be made without prior amendment. Purchasers will also incur certain closing costs in connection with the purchase of their unit. See CHANGES IN PRICES IN UNITS and CLOSING COSTS AND ADJUSTMENTS sections of this Offering Plan.

5. The calculations for the projected monthly common charges for each unit are based on 1/12 of the projected annual common charges for each unit. For a more detailed explanation of the projected common charges, please see Footnote 6 below.

6. Projected Common Charges for the first year of operation include only those expenses which are enumerated in SCHEDULE B. Common Charges do not include such expenses as repairs to the interior of the owner's unit, and the owner's individual gas, electricity, cable, Internet service, air conditioning, and telephone expenses; individual costs for heat and hot water for each apartment are set forth in SCHEDULE B1 of this Offering Plan. Moreover, if the purchaser should obtain financing for the purchase, the debt service on that loan will be an additional expense not covered by the Common Charges. Common Charges are arrived at by allocating to each unit a share of the Monthly Charges proportionate to the Common Interest which that unit bears in the condominium. The City of New York is not bound by the allocation of Common Interest and may allocate on a different basis.

7. The calculations for the projected monthly real estate taxes for the first year of operation for each unit are based on 1/12 of the projected annual real estate taxes for the first year of operation for each unit. For a more detailed explanation of the projected real estate taxes for the first year of operation, please see Footnote 8 below.

8. After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units.

The estimated date of completion of renovation is December of 2023. Sponsor will obtain a temporary or final Certificate of Occupancy prior to closing on any unit.

Calculations of Real Estate Taxes for the subject premises are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. The City of New York is not bound by the allocation of Common Interest and may allocate on a different basis.

The assessed value of real property in New York City is determined on January 5 of each year and is applied to the calculation of the annual taxes for the tax year commencing the following July 1 of that year.

Sponsor has obtained an estimate from Metropolitan Realty Exemptions, Inc. ("MRE"), 118 Middleton Street, Brooklyn, NY 11206, projecting the real property assessment to be levied on the property for the first full tax year after completion of construction. The MRE opinion letter is dated April 21, 2023 and is included in Part I of this Plan. MRE anticipates that the property will be assessed at its post-completion value during the first year of condominium operation (July 1, 2024 – June 30, 2054). MRE estimates the post-completion assessed value for the premises to be $106,295.00. The resulting annual tax liability is therefore estimated to be $13,039.00. The estimates are based on the current 2023/2024 tax rate of 12.267% for Tax Class 2 properties.

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

9. Monthly carrying charges are composed of the monthly common charges and the monthly post-completion real estate taxes projected against each unit.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
THE 171 LUQUER STREET CONDOMINIUM
July 1, 2024 –June 30, 2025

PROJECTED INCOME		
Common Charges	$ 13,684	
PROJECTED EXPENSES		
Gas (1)		$ -0-
Electricity (2)		$ 374
Water and Sewer (3)		$ 3,285
Repairs, Maintenance, Services, Supplies (4)		$ 1,000
Service Contracts (5)		$ 1,500
Insurance (6)		$ 3,125
Legal and Accounting Fees (7)		$ 2,000
Labor (8) (SEE FOOTNOTES)		$ -0-
Management (9) (SEE FOOTNOTES)		$ -0-
Miscellaneous Reserve (10)		$ 1,000
Capital Reserve Fund (11)		$ 1,400
Total	$ 13,684	

Note: All figures are rounded to the nearest dollar.

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

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

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

PURCHASERS SHOULD ALSO NOTE THAT EVEN IF THE FIRST CLOSING OCCURS ON OR BEFORE THE DATE PROJECTED AS THE DATE OF COMMENCEMENT OF OPERATION AT THE TIME THE PURCHASE AGREEMENT WAS ENTERED INTO OR WITHIN THE TWELVE (12) MONTH PERIOD THEREAFTER, THE SPONSOR MAY SCHEDULE THE CLOSINGS OF TITLE TO OTHER UNITS SIGNIFICANTLY LATER THAN SUCH DATE. UNLESS YOUR PURCHASE AGREEMENT CONTAINS AN OUTSIDE CLOSING DATE, THE SPONSOR IS NOT OBLIGATED TO SCHEDULE YOUR CLOSING WITHIN ANY SPECIFIED TIME FRAME OR TO ENSURE THAT CLOSING OF TITLE TO YOUR UNIT WILL OCCUR BY ANY DATE CERTAIN. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATIONS AS TO WHETHER TO PURCHASE A UNIT. IN THE EVENT, HOWEVER, SPONSOR CANNOT CONVEY TITLE TO THE UNIT ON OR BEFORE TWELVE (12) MONTHS FROM THE DATE OF THE PURCHASE AGREEMENT, AFFECTED PURCHASERS WILL BE OFFERED A RIGHT OF RESCISSION.

FOOTNOTES TO SCHEDULE B

1. The Building will have no natural gas service. See SCHEDULE B1 hereinafter set forth for an estimate of individual charges for electric heat and hot water.

2. The Sponsor has obtained an estimate dated March 2, 2023, from Andrew Katz Engineering PLLC, 3452 Bedford Avenue, Brooklyn, New York 11210, of approximately 1000 kilowatt hours (kWH) per year of electrical usage for the common areas. The projection in SCHEDULE B is based on a rate of $0.34/kWH which includes the cost of all applicable state and local taxes. The projected figure in SCHEDULE B also includes a 10% allowance for inflation. Purchasers shall be responsible for individual utility costs for their own apartments. Please see SCHEDULE B1 – EXHIBIT A located in Part I of this Offering Plan for projected individual electricity charges for each unit.

3. Water is supplied to the building by the City of New York through a single water meter serving the entire building. Projected water and sewer costs are based upon an estimate of 250 gallons per day per residential unit resulting in approximately 48,993 total cubic feet of water per year, a water rate of $2.60 per 100 cubic feet, and a sewer rate of $3.50 per 100 cubic feet of water consumed. In SCHEDULE B a 10% allowance for inflation has been added to the projected figure.

4. Repairs, maintenance, services, supplies: The budgeted figure is based on items expected to be consumed in the normal course of building operation and normal maintenance and repairs to the common elements of the building and its systems and equipment. Supplies expected to be consumed in the normal course of building operation include light bulbs, cleaning supplies, paints, and hardware items. Insofar as this is a newly renovated building, it is not anticipated that any major repairs will be required. The budgeted figure includes such items of regular maintenance as cleaning, painting and minor mechanical, carpentry, or electrical work. Individual unit owners will be responsible for the cost of interior repairs, and decorations, and painting of their respective apartments, including appliances.

5. Service Contracts: The budget amount is for the projected annualized cost for service and maintenance of the building's sprinkler system.

6. Insurance: Sponsor has received a letter dated December 9, 2022, estimating the cost of coverage for the building via a package policy through Max J. Pollack and Sons Insurance, 682 Union Street, Brooklyn, New York 11215 in the following coverage amounts:

Building.....$1,000,000 "All Risk" agreed amount
Replacement Value

Liability.....$1,000,000 Special Form

Deductible.....$1,000

The foregoing insurance, including the public liability coverage included therein will be in effect at the time of closing. The insurance company has advised the Sponsor via letter that in its opinion, the amount of coverage is adequate to rebuild the building structure if totally destroyed by any insured peril; however, the policy does not guaranty the replacement of individual fixture and improvements installed by individual unit owners. This policy waives a standard co-insurance clause, so that no insured thereunder shall be a co-insurer. The policy meets the requirements of any mortgage lender procured by Sponsor. The policy will provide that:

- each unit owner will be an additional insured;
- there will be no cancellation without notice to the board of managers and individual unit owners;
- will waive subrogation;
- will waive invalidity because of the acts of the insured and individual unit owners;
- and, will waive pro rata reduction if individual unit owners obtain additional individual coverage.

The policy does not include officers and directors liability, umbrella coverage, or workers compensation, which can be provided at extra cost. The consequence of not having such additional insurance is that in the event of any uncovered claim or damage the Board may need to assess a special assessment to the unit owners to be able to pay for the claim and/or damage. Purchasers are advised of the desirability of obtaining additional insurance, at their own cost and expense, to

cover such risk as fire and casualty losses to unit contents, replacements, additions, up-graded fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on the limited common elements pertinent to the units.

The premises are located in the Columbia Street Waterfront district of Brooklyn. There are no hazardous materials or Environmental Restriction designations present on the property. The site is located in a non-shaded Zone X with FEMA Map panel number 3604970192F. The location indicates that the site is in an area determined to be outside of the 0.2% annual chance flood plain and of minimal flood hazard. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code. Unit Owners may obtain flood insurance at their own expense.

7. Legal and Accounting Fees: This figure is based on the estimate dated March 16, 2023 from Joel Peck & Associates, Certified Public Accountants, P.O. Box 8052, Pelham, NY 10803, for preparation of annual tax returns and financial statements for the first year of operation and City, State and Federal tax returns, which estimate was $2,000.00. No amount is budgeted for legal services for the first year of condominium operation. In the event that the Condominium requires any legal services, same would represent an additional expense that would require a concomitant increase in common charges.

8. The condominium budget for the first year of operation does not include expenses for a superintendent. Due to the size of the building, it is expected that no superintendent will be employed. Should the Board of Managers elect at any time to employ the services of a superintendent, this will represent an additional cost, which would require a concomitant increase in the common charges. The amount of such increase would vary based upon factors such the number of superintendent hours per week and the union or non-union status of the superintendent but could represent an additional cost of approximately 35% of the annual operating budget. Activities which the unit owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping and minor repairs.

9. The condominium budget for the first year of operation does not include expenses for a managing agent. The Sponsor will manage the condominium during the

control period. After control is transferred to the unit owners, due to the size of the building, it is expected that the building will be self-managing. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 25%-50% of the annual operating budget, which would require a concomitant increase in the common charges.

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

10. The contingency budgeted item is intended to provide a cushion for unforeseen costs and an opportunity for the condominium to accrue a reserve for future expense. It is not anticipated to serve the same purpose as a reserve fund for repair or replacement of major mechanical systems and capital expenditures.

11. The projected item represents a reserve for repair or replacement of major mechanical systems or structural elements of the building. In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. However, in the Sponsor's estimation, and because all major building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan. The Capital Reserve

Fund may not be used for regular operating expenses or to reduce the monthly common charges.

SCHEDULE B1
The 171 Luquer Street Condominium
July 1, 2024 – June 30, 2025

The building will have no natural gas service. Each unit has an electric heat pump for heating and cooling and its own electric hot water heater. Each unit is individually metered for electricity.

The attached Exhibit A includes estimates obtained on March 2, 2023, from Andrew Katz Engineering PLLC, 3452 Bedford Avenue, Brooklyn, New York 11210, for the cost of providing electricity for each residential unit.

Electricity costs are based upon a winter rate of $0.335 per kilowatt hour (kwh) for the first 250 kwh and $0.305 per kwh over 250 kwh and a summer rate of $0.375 kwh for the first 250 kwh and $0.355 per kwh over 250 kwh. Applicable state and local sales tax and a 10% inflation factor have been included in these numbers.

The cost of providing electricity is merely an estimate. Electricity usage is highly variable and is dependent both on the number of people located in the apartment and their pattern of usage.

SCHEDULE B1 - EXHIBIT A
Annual Unit Electricity Estimates
171 Luquer Street, Brooklyn, New York
July 1, 2024 - June 30, 2025

Unit	Estimated Annual Electricity Usage Cost	Inflation	Total
1	$3,650	$316	$3,966
2	$3,050	$264	$3,314
3	$3,050	$264	$3,314
4	$3,050	$264	$3,314

CHANGES IN PRICES AND UNITS

Offering prices set forth in SCHEDULE A of this Offering Plan must be changed by an amendment duly filed with the New York State Department of Law when the change in price is decreased affecting one or more lines of units or unit models, or 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 a purchaser to sell one or more units at prices lower than those set forth in SCHEDULE A without filing an amendment prior to entering such agreement, as per FOOTNOTES TO SCHEDULE A.

No change will be made in the size or number of units, and/or their respective percentage of common interest, and no material change will be made in the size or quality of common elements except by amendment to the Plan and, when applicable, to the Declaration. If a Purchase Agreement has been executed and delivered to the Sponsor for that unit, then no material change will be made in unit size, layout, or percentage of common interest unless the affected purchaser consents and is not in default. No material change will be made in the size, and no material adverse change will be made in the quality, of common elements unless all purchasers consent. No change of any type set forth in this paragraph shall be made except by amendment duly filed with the New York State Department of Law.

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JESSICA PETERS
TEAM • AT DOUGLAS ELLIMAN

COMPLIANCE WITH REAL PROPERY LAW SECTION 339-{i)

July 31st, 2023

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

Re: *171 Luquer Street, Brooklyn, New York (The "**Premises**")*

Mr. Vitale,

This is with respect to the Plan of Condominium Ownership of the above Premises and the allocation of the Percentage of Common Interest to the respective Units therein.

It is my opinion that the allocation of Percentages of Common Interest allocated to the respective Units as set forth in Schedule A attached to the Plan are in compliance with the regulations issued pursuant to Real Property Law Article 9-B, Section 339-i.

We have determined that the Sponsor has used the method contained in Section 339-i(l)(iv) of the New York Condominium Act, that is based upon floor space subject to 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.

The company's affiliate currently manages approximately 400 condominium or cooperative apartment buildings in New York City. This firm has no beneficial interest in the Sponsor and no interest in the profits of this Offering Plan other than the fee for this service.

We hereby authorize the use of our name and this letter in connection with the proposed plan of condominium operation.

Sincerely

DocuSigned by
Jessica Peters
DBCC1A7C0F1F1...

Licensed Associate Real Estate Broker

7/31/2023

2020 All MATERIAL PRESENTED HEREIN IS INTENDED FOR INFORMATION PURPOSES ONLY. WHILE THIS INFORMATION IS BELIEVED TO BE CORRECT, IT IS REPRESENTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OR WITHDRAWAL WITHOUT NOTICE. ALL PROPERTY INFORMATION, INCLUDING, BUT NOT LIMITED TO SQUARE FOOTAGE, ROOM COUNT, NUMBER OF BEDROOMS AND THE SCHOOL DISTRICT IN PROPERTY LISTINGS SHOULD BE VERIFIED BY YOUR OWN ATTORNEY, ARCHITECT, OR ZONING EXPERT. IF
IT IS ETRUE THAT PROPERTY IS CURRENTLY LISTED WITH ANOTHER REAL ESTATE BROKER, PLEASE DISREGARD THIS OFFER. IT IS NOT OUR INTENTION TO SOLICIT THE OFFERINGS OF OTHER REAL ESTATE BROKERS. WE COOPERATE WITH THEM FULLY. EQUAL HOUSING ID.

INTERIM LEASE

The Sponsor may, at Sponsor's option, extend an interim lease to any purchaser who has executed a contract of sale for a unit at the subject premises and is not in default thereon. It shall be in the Sponsor's sole and exclusive discretion as to whether or not to offer an interim lease. The Sponsor may, for any or for no reason, refuse to offer an interim lease to any purchaser. The 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 any other grounds prohibited by law. Interim leases or short-term leases shall not be offered to any party who has not executed a Purchase Agreement for a unit. The interim lease shall not create a landlord-tenant relationship but shall be deemed the use and occupancy agreement and part of the contract.

No rental protection laws are applicable to the interim leases. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person in possession prior to closing assumes the risk of losses not covered by insurance. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance, and whether they might be able to obtain renters' insurance.

The interim lease will provide that in the event the contract is cancelled or the Plan is abandoned, the Interim Lessee will move out on 30 days' written notice. The interim lease will further provide that an uncured default under the purchase agreement is a default under the interim lease, and that an uncured default under the interim lease is a default under the purchase agreement. Notwithstanding the foregoing, before the Sponsor can utilize a default under the interim lease to declare a default under the purchase agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim lessee, unless the interim lessee has vacated the unit. Interim lessee has 30 days to vacate the unit after receipt of written notice of a default, after delivery to the Sponsor of written notice of exercise of right of rescission, or after delivery to the purchaser of written notice that the Plan has been abandoned. A person who takes possession of a unit prior to closing

assumes the risk of losses not covered by insurance. Any conflict between the Plan and the Interim Lease will be resolved in favor of the Plan. A SAMPLE INTERIM LEASE is located in Part II of this Offering Plan.

PROCEDURE TO PURCHASE

Persons desiring to purchase condominium units will be required to execute a Purchase Agreement in the form contained in Part II of this Plan and return it to the selling agent, together with a check in the amount of 10% of the purchase price as a down-payment, drawn to the order of Sylvester J. Sichenze, As Escrow Agent. Sponsor reserves the right to accept a lesser down-payment to accommodate Purchasers, but in no case will the down-payment be less than 5%.

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

All down payments will be placed in an account in conformity with the disclosures contained in this Plan.

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

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

establishment, maintenance, or defense of obligations arising from the handling or disposition of trust funds.

The law firm of Sylvester J. Sichenze, Esq., with an address at 7703 Fifth Avenue, Brooklyn, NY 11209, telephone number (718) 680-0400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Sylvester J. Sichenze, Esq. All designated signatories are admitted to practice law in the state of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Agent has established the escrow account at TD Bank, located at 8201 15th Avenue, Brooklyn, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Sylvester Sichenze Client Funds Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All Deposits made by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Sylvester J. Sichenze, as Escrow Agent.

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

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

The Purchase Agreement is attached hereto in Part II of the Offering Plan. The relevant escrow trust fund provisions are included in Section 5 of the Purchase Agreement, which

incorporates all of the provision of the Escrow Agreement set forth in Part II of this Offering Plan. The Purchase Agreement must be executed by the Purchaser, Seller, and the Escrow Agent.

Within ten (10) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit, if any.

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

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL section 352-h and the New York Lien Law 71-a(3).

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

The escrow agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations. The Escrow Agent will maintain all records concerning the escrow account for seven years after the release of funds. Set forth in Part II of this Offering Plan is a copy of the Escrow Agreement between the Sponsor and the Escrowee which incorporates the terms of the Attorney General's regulations.

The Sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit, in accordance with the regulations of the New York State Department of Law, in lieu of escrow of such funds. In the event the Sponsor elects to use such alternative security, an amendment to that effect will be filed in the Offering Plan

fully complying with all provisions of the Department of Law for proof of satisfactory insurance of said funds.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. The Purchaser shall have fifteen (15) days therefrom to exercise his right of rescission, and Purchaser's down payment shall be returned to Purchaser within ten (10) days from the date of receipt by Sponsor of Purchaser's rescission. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance.

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

including the payment of any extension fee required by the lending institution. However, in the event Purchaser has made such good faith effort to extend the commitment and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, and that Purchaser is exercising his right to rescind the contract, Sponsor will return the down payment within 10 days of Sponsor's receipt of Purchaser's notification of exercise of right to rescind. Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right.

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

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

The first closing of a Unit is expected to occur on or about July 1, 2024. If the actual date or the projected date of such closing occurs later than June 30, 2025, twelve (12) months beyond the originally projected date of the first closing, purchaser will be offered the right

to rescind this contract. On closing, purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan. Failure to sign this Power of Attorney at closing constitutes an event of default and may result in the loss of the Purchaser's contract deposit.

Purchasers should note that even if the first closing occurs on or before the date projected as the date of commencement of operation at the time the purchase agreement was entered into or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the plan, a purchaser will not be entitled to a right of rescission or to make claims against the sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. **PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.** In the event, however, that Sponsor cannot convey title to the unit on or before twelve (12) months from the date of the purchase agreement, affected purchasers will be offered a right of rescission. Please see Paragraph 7 of the PURCHASE AGREEMENT located in Part II of this Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan. Sponsor at Sponsor's option may allow Purchaser to assign a contract; in the event of such assignment Purchaser shall pay an assignment fee of $1,500.00.

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

EFFECTIVE DATE

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

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

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

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, Sponsor must re-declare the plan effective in order to consummate the offering plan in accordance with 13 N.Y.C.R.R. § 20.1(c)(6). If all

purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, Sponsor must re-declare the offering plan effective.

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

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

TERMS OF SALE

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

Permitted Exceptions

Title to each Unit will be subject to the following exceptions (the "Permitted Exceptions"):

1. Standard exceptions contained in the title report;

2. Any statement of facts which a subsequent survey of would disclose provided that such additional statement of facts do not render title unmarketable;

3. The following covenants, conditions, easements, leases, agreements of record, etc.:
a) Owners Certificate (Exhibit I) in CRFN 2022000377650
b) Zoning Lot Description (Exhibit III) in CRFN 2022000377651.

The property is currently encumbered by a mortgage held by Wall Street Mortgage Bankers, Ltd. DBA Power Express in the amount of $2,080,000.00. Pursuant to 13 NYCRR 20.3(r)(8), if existing mortgages or construction loans will not be satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each mortgagee will either: (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of the condominium; or (iii) release its lien on the condominium unit being conveyed and its interest in the common elements. Sponsor will satisfy this mortgage in full at the closing of the first unit with sale proceeds and, if necessary, Sponsor's own funds. Sponsor has adequate financial resources with which to meet the obligations of the unsold units. There are no lender-set limits or requirements for Sponsor to sell rather than rent units.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. The Purchaser shall have fifteen (15) days therefrom to exercise his right of rescission, and Purchaser's down payment shall be returned to Purchaser within ten (10) days from the date of receipt by Sponsor of Purchaser's rescission. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance.

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

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

CLOSING COSTS AND ADJUSTMENTS

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

(a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium thereof which will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are $723.00 on a Purchase Price of $200,001.00 and approximately $2.60 for each additional thousand dollars or fraction thereof. Mortgage title insurance is currently $137.00 on a mortgage of $100,001.00 and $0.77 for each additional thousand dollars or fraction thereof. Where mortgage and fee title are obtained simultaneously the charge for mortgage insurance is reduced to 30% of the usual applicable rate, up to the amount of the fee insurance; the amounts provided reflect this. A purchaser may use any title insurance company of his or her own choosing without incurring any Sponsor-imposed penalties.

(b) Fees for recording the Deed and Power of Attorney are $42.00 for the first two pages, plus $5.00 per page for every page thereafter, and a $50.00 service charge per instrument. Additionally, there is a $25.00 charge for recording the Real Property Transfer Tax Return along with the deed.

(c) If the purchaser obtains a mortgage loan, the purchaser will pay a mortgage tax of 2.05% of the principal amount of the mortgage if the mortgage is under $500,000.00; under New York State Law the lending institution is required to pay 0.25% so that the effective rate of a residential mortgage under $500,000.00 will be 1.8%. If the residential mortgage is $500,000.00 or over the rate will be 2.175%, minus the 0.25% lending institution's contribution for a mortgage tax rate of 1.925%. If a mortgage tax credit is or becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed and will pay the balance of the mortgage recording tax as provided by law.

(d) All legal costs, fees and expenses charged by the purchaser's attorney will be the sole responsibility of each purchaser.

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

(f) In general, sellers of real property are obligated to pay the New York State Transfer Tax ("NYSTT"), currently $4.00 per $1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage. The New York State Tax Law Section 1404(a) (the "Amended Tax Law") has been amended as of July 1, 2021. Pursuant to the Amended Tax Law, transfer taxes shall not be payable, directly or indirectly, by the Purchaser unless the same is explicitly provided for under the Purchase Agreement between Sponsor and Purchaser. The PURCHASE AGREEMENT located in Part II of this Offering Plan explicitly provides that the Purchaser shall be responsible for paying the NYSTT. Therefore, the Purchase Agreement imposes this obligation upon the Purchaser. The NYSTT will no longer be "grossed up."

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

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

(i) All closings will occur in Kings County at a location designated by the Sponsor's attorney. Under no circumstances will Sponsor be required to close at any place other than a location designated by Sponsor's attorney. In the event that the Purchaser requests and the Sponsor consents to a closing outside of a location designated by Sponsor's attorney, there will be an attendance fee of $500.00 for closings in Kings County or $1,000 for closings in any other location.

(j) An apartment with a purchase price of $1,000,000.00 or higher will be required to pay the New York State Mansion Tax of 1% of the purchase price. To the extent that the "grossed-up" consideration causes the consideration to exceed $1,000,000.00, this New York State Mansion Tax will be due. Below is a table showing the break-down of the Mansion Tax charges for residential real property with considerations up to $9,999,999.99:

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

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

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

(m) At closing, the parties shall apportion, as of the date of actual closing, the Common Charges, real estate taxes and other charges under the By-Laws, utility

charges (if any) due to the Condominium and the use and occupancy charge, if any, to the Unit. Assessments will not be apportioned and will be payable by the party who is the owner of the Unit when the same became due and payable. A letter from the Condominium or its Managing Agent as to status of Common Charges, utility or other charges shall be sufficient for purposes of determining the adjustments as herein described.

If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six-month period following the first closing. Alternatively, the Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to such unit for the balance of the six-month period. The Board of Managers will pay the real estate taxes from any escrow account when taxes are due and payable, and the funder of any escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium By-laws include as part of the common expenses the real estate taxes on the property until the units are separately assessed, and after assessment, unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

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

Purchasers of a Residential Unit shall pay to the Sponsor's Attorney at closing a fee of $2,500.00 for the preparation of closing documents. If the Purchaser's lender requires a completed condo questionnaire and the Sponsor's attorney is asked to complete it, then the Sponsor's attorney will charge a fee of $250.00 for completing the condo questionnaire. If a purchaser fails to close on the date set for first closing or adjourns a scheduled closing date on less than three (3) days' notice, there shall be a late closing adjournment fee of $250.00 added to the above. In the event Purchaser fails to fulfill his/her terms of the Purchase Agreement and Sponsor's attorney mails a Notice of Default, there will be a $100.00 charge for such notice. The above closing fees are cumulative to the extent applicable to an individual closing.

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

A numerical example of closing costs allocable to a typical Unit is set forth on the next page. "Grossed up" prices have been used for the New York City Transfer Tax. Said example is for illustrative purposes only and is not intended to be comprehensive.

SAMPLE CLOSING COSTS

$1,600,000.00 Purchase Price
$1,280,000.00 Mortgage

Mortgage and Fee Title Insurance	$ 5,424.00
Deed and Power of Attorney Recording	$ 250.00
Mortgage Recording Tax	$ 24,640.00
New York City Transfer Tax	$ 23,358.00
New York State Documentary Stamp Tax	$ 6,400.00
Working Capital Fund Contribution	$ 2,281.00
"Mansion" Tax	$ 16,392.00
Reimbursement Fee	$ 2,500.00
Document Preparation Fee	$ 2,500.00
TOTAL:	$ 83,745.00

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

RIGHTS AND OBLIGATIONS OF THE SPONSOR

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

The building has a current Certificate of Occupancy, no. 143462, from a previous Alteration, no. 3671-1946, which establishes the current use of the building as a four family multiple dwelling. The Sponsor will obtain signoff from the New York City Department of Buildings for rear extension and interior renovation of the building pursuant to a Type 2 Alteration (Alt-2), application number B08020385. The building is an existing four unit residential building and will remain as such. Therefore, the existing Certificate of Occupancy will remain.

While the Sponsor will endeavor in good faith to sell the three units offered for sale in a reasonably timely manner, the Sponsor is retaining the unconditional right to rent rather than sell units. Thus, Sponsor may never sell more than the 15% of units required to declare the plan effective. Therefore the Plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. The condominium Board does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a

substantial percentage of owners who are non-residents. Owner-occupants and non-resident owners, including Sponsor or purchasers for investment, may have inherent conflict on how the condominium should be managed because of their different reasons for purchasing (i.e., purchase as home as opposed to purchase as investment). There are no obligations regarding marketing of units, and the Sponsor's Mortgage Lender has set no limits or requirements for Sponsor to rent rather than sell Units.

The Sponsor gives no warranty as to materials or workmanship that shall survive sale of a unit. The New York State Housing Merchant Implied Warranty Law does not apply to this offering

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

Unless the Plan has been abandoned pursuant to the EFFECTIVE DATE section of this Offering Plan, Sponsor will repair any damage from casualty or other cause that occurs prior to the closing of a unit. A Purchaser is under the obligation to inspect the unit prior to closing. Sponsor will have no liability of any kind for patent damage to a unit not reported prior to closing. With regard to patent damage to a unit which is reported prior to closing, Sponsor will, as set forth above, repair all such damage within fifteen (15) days after closing (or such longer time as is required to accommodate the delivery of materials which must be ordered to complete any such repairs). In the event Sponsor fails to perform such obligation, Purchaser may enforce same in a court of competent jurisdiction. Latent defects to a Unit and any limited common elements allocated to such Unit are covered by the Housing Merchant Implied Warranty as described above and in Part II of this Offering Plan.

Sponsor will not be responsible for patent defects to a unit not reported prior to closing that a standard engineering inspection would have revealed. At least ten (10) days before the closing, the Selling Agent shall notify the Purchaser that the Unit is ready for a standard pre-closing walk-through inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit A to the Purchase Agreement located in Part II of this Offering Plan) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement,

shall not excuse Purchaser from fulfilling his obligation to close under the terms of the Purchase Agreement and shall constitute Purchaser's full acceptance of the Unit. With regard to damage to a unit which is reported prior to closing, Sponsor will, as set forth above, repair all such damage within fifteen (15) days after closing (or such longer time as is required to accommodate the delivery of materials which must be ordered to complete any such repairs). In the event Sponsor fail to perform such obligation, Purchaser may enforce same in a court of competent jurisdiction.

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

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

The property will be conveyed free and clear of all liens. The Sponsor will not dissolve or liquidate for a minimum of six (6) years. Copies of the plans, exhibits and documents referred to herein shall be kept on file at the office of the Attorney for the sponsor for a period of six (6) years after filing of the Declaration of Condominium. The Sponsor will repair any damage from a casualty or other cause that occurs prior to the closing of any unit, and no Purchaser shall be required to accept a damaged unit. Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs. The longer time that may be required to make repairs must be within a reasonable period of time. If the Sponsor decides not to restore

the unit, the purchaser in such case would have the right to rescind. An interim lessee assumes the risk of losses not covered by insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance.

In the event of dissolution or liquidation of the Sponsor, or transfer of 10 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 of the obligations of the Sponsor for those units under the Offering Plan, applicable laws, or regulations.

The property is currently encumbered by a mortgage held by Wall Street Mortgage Bankers, Ltd. DBA Power Express in the amount of $2,080,000.00. Pursuant to 13 NYCRR 20.3(r)(8), if existing mortgages or construction loans will not be satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each mortgagee will either: (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of the condominium; or (iii) release its lien on the condominium unit being conveyed and its interest in the common elements. Sponsor will satisfy this mortgage in full at the closing of the first unit with sale proceeds and, if necessary, Sponsor's own funds. Sponsor has adequate financial resources with which to meet the obligations of the unsold units. There are no lender-set limits or requirements for Sponsor to sell rather than rent units.

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

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

In the event the Sponsor finds it necessary to enter the property after closing of title to complete work, then such work will be performed between 8 A.M. and 6 P.M. on

weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

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

New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy; the policy for this condominium is as follows: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements.

CONTROL BY THE SPONSOR

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

The By-Laws are reproduced in Part II, beginning on page CBL1. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Managers on the Board of Managers (hereinafter called "Managers") to not less than three (3). The first Board of Managers to be elected by the Unit Owners shall consist of three (3) members.

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

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

a) Thirty (30) days after the date by which 75% of the units have been conveyed to unit purchasers; or

b) Three (3) years after the first conveyance of a unit to a unit purchaser.

A meeting will be held to elect new board members unrelated to the Sponsor within 30 days of the expiration of the control period. Notwithstanding the foregoing, even after control is surrendered to a Board elected by unit owners, the Sponsor may vote for the unit owner of its choice at an election of Managers. The Sponsor will not hold control of the condominium board after the Sponsor control period.

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

1. Shall not eliminate or reduce the number of employees, insurance coverages, or any service to a level less than that provided in Schedule B unless a majority of Board members elected by bona fide unit purchasers vote in favor thereof.

2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services, and installations) to be kept operational, clean, and in a good state of repair and condition;

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

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

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

All Board Members shall serve without compensation. Any member of the Board of Managers who is a designee of the Sponsor, may contract or deal with Sponsor or a partner, affiliate, or entity controlled by the Sponsor; however, such Board members shall remain under a fiduciary duty to act in the best interest of the condominium. Additionally, such Board Members shall be required to disclose the nature of their relationship(s) in dealing with the Sponsor to all unit owners.

BOARD OF MANAGERS

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

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall consist of three (3) members designated by the Sponsor. They will be principal of the Sponsor Gino Vitale and Sylvester Sichenze, Esq., and Claudia V. Murdoch, Esq., attorneys for the Sponsor. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within thirty (30) days after the First Closing; they may, however, be re-elected at such time. The By-Laws do not include a provision that, after the initial Sponsor control period, a majority of the Board of Managers must be Owner-Occupants or members of an Owner-Occupant's household who are unrelated to the Sponsor and its Principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment. Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation. Transfer of control of the Condominium Board of Managers shall pass to unit owners other than the Sponsor at the earlier of the following:

a) Thirty (30) days after the date by which 75% of the units have been conveyed to unit purchasers; or

b) Three (3) years after the first conveyance of a unit to a unit purchaser.

Within thirty (30) days after transfer of control, a meeting will be held to elect new Managers unrelated to the Sponsor. The By-Laws do not include a provision that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its Principals after the end of the initial Sponsor control period. Purchasers for their own occupancy may never gain control of the condominium. Nonetheless, the Board of Managers has a fiduciary duty to act in the best interest of the condominium, even during the control period.

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

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

The Board of Managers will be responsible for the operations of the affairs of the Condominium, including, but not limited to, the fiscal operation, repairs and maintenance of the common areas of the Property, replacement and capital improvements to the common areas of the Property, the hiring, supervision and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws, and shall have the powers and duties necessary for the administration of such affairs. The Managers shall serve without compensation or remuneration.

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

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member or members of the Board of Managers. It is intended that the

members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or out of the aforesaid indemnity in favor of the members of the Board of Managers, shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements of all Unit Owners.

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

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

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

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

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account, and deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers.

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

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

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

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

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

The Condominium shall continue, unless terminated by reason of casualty, loss, or by condemnation, until such time as the Condominium shall be legally abandoned and

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

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

Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-Sponsor members of the board, and there is a vote on whether to sue the Sponsor, the Sponsor's representatives cannot lawfully vote on that issue. The Board of Managers has a fiduciary duty to act in the best interest of the Condominium, even during the initial Sponsor control period.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

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

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

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

2. No right of first refusal.

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

3. Common charges and assessments.

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

Sponsor reserves the right (but shall have no obligation) to cause the condominium Board to reduce the common charges payable by the unit owners (including Sponsor) during the first year of condominium operation (and during part or all of any further period in which Sponsor controls the Board) to reflect the actual expenses incurred by the condominium. Sponsor makes no representation that any savings in operating expenses or reduction in common charges will in fact occur. In addition, Sponsor is reserving the right to delay the collection of Common Charges beyond when they are due and payable. 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 obligated to update the budget for the Condominium as required by 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 notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the 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 to the Offering Plan as a benefit to subsequent Purchasers.

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

Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in section 339-aa of the Real Property law.

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

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

4. Repairs and Maintenance.

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the stairwell doors which do not face into a Unit), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building) and the painting and decorating of the side of the stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit owners who enjoy use of a limited common element are responsible for regular repair and maintenance of such limited common element such

as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such limited common element (except where directly caused by act or omission of the unit owner, their agents, employees, or invitees) are the responsibility of the condominium through the Board of Managers. The unit owner is responsible for keeping safety warning devices (i.e., smoke detector and carbon monoxide detector) operational. Any damage occurring to the roof shall be the sole responsibility of the Condominium and/or unit owner causing such damage and will need to be repaired at the Condominium's or such unit owner's sole expense.

5. Additions, alterations, and improvements.

No Unit Owner may make any structural addition, alteration or improvement in his Unit without the prior written approval of the Board of Managers. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the days and hours during which any work may be done. No application shall be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit unless approved and executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Managers, or any of them, to a contractor, subcontractor, materialman, architect, or engineer, by reason of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building or the value of other Units may be made without prior approval of the Board of Managers.

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

6. Insurance.

The Board of Managers shall obtain and maintain: (1) casualty insurance with extended coverage, insuring the Building and Units (but not including furniture, furnishings, or other personal property supplied to, or installed by, Unit Owners), together with all service machinery contained therein covering the interests of the Condominium, The Board of Managers, and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation; (2) liability insurance for personal injury or property damage in an amount not less than one million dollars; and (3) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgage clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interests may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation.

Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interiors of their Units and for personal liability coverage for their own benefit at their own expense provided that such policies contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any other insurance carried by a Unit Owner. Individual unit owners are responsible for repairs to and maintenance within their own condominium units and will be required to obtain HO-6 (wall-to-wall) insurance coverage at their own cost and expense to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence that might occur within their respective apartments. Otherwise, unit owners would not be covered for risks such as fire and casualty losses within their apartments. The condominium Board of Managers is not obligated to repair and maintain individual apartments, nor provide casualty and/or liability insurance for occurrences that may occur in individual apartments. Although the premises are located in a waterfront district, there are no hazardous materials or Environmental Restriction designations present on the property. The site is located in a non-shaded Zone X with FEMA Map panel number 3604970211F and preliminary map panel 3604970211G. The location indicates that the site is in an area determined to be outside of the 0.2% annual chance flood plain and of minimal flood hazard. Unit Owners may obtain flood insurance at their own expense, but it is not a requirement.

The proceeds of the hazard and fire insurance policy shall be payable to the condominium Board in the event of a loss amounting to $100,000.00 or less and to the insurance trustee if the loss exceeds $100,000.00. Such proceeds shall be applied to the repairing, restoring,

or rebuilding of the subject premises unless otherwise determined by unit owners. In no event shall the proceeds of any insurance policy be paid to the holder of any mortgage on a unit unless there has been a determination by unit owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the City and State of New York.

7. Restrictions on occupancy and use.

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

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

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

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

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

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

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to,

serve, and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

Further restrictions on the use of Units are set forth in the By-Laws, which are set forth in Part II of the Plan, and in Rules and Regulations made in accordance with the By-Laws. Current restrictions include a restriction that the unit shall be used for private residence only, or any home occupation use permitted under applicable zoning law, ordinances, building codes, or other governmental regulations. However, the Sponsor or Sponsor-Designee has the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations. Units may not be used for any unlawful purpose, and any use which amounts to a violation of law or to rules, regulations, or requirements of any governmental agency having jurisdiction thereover shall be eliminated at the sole expense of the unit owner. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents. The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. There are currently no limitations on pets; aesthetic controls; restrictions on occupancy of units owned by corporations, partnerships or fiduciaries; limitations on the use of parking units. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws. Residential use of the premises is consistent with the zoning regulations and the certificate of occupancy.

8. Other material rights and obligations

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and to all appurtenant areas, if any, to the Managing Agent and/or any other person authorized by the Board of Managers or the Managing Agent for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services of other Common Elements in their Unit or elsewhere in the Building in which the Unit is

located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration, or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are at a time reasonably convenient to the Unit Owner. In case of emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to their Unit to allow for entry in an emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

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

At the time of closing, Purchaser will be required to execute a broad Power of Attorney in favor of the Board of Managers of the Condominium. This Power of Attorney will give the Board of Managers the right to acquire and otherwise administer defaulted, abandoned, or foreclosed units in the name of the condominium. It will also give the Board of Managers the right to execute amendments to the Condominium Declaration, Deeds conveying condominium property, filing for severance of tax lots, and other functions reasonable or necessary to effectuate the purposes set forth in the Condominium Declaration, on behalf of all of the unit Owners. Purchaser must sign the Power of Attorney at closing; failure to sign the Power of Attorney will be deemed a

default and will result in cancellation of the transaction and possible loss of the down payment. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

9. Smoking policy

New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy; the policy for this condominium is as follows: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements.

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REAL ESTATE TAXES

After the units are separately assessed, pursuant to Section 339-y of the Real Property Law, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes by the New York City Department of Finance, which is the assessing authority, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other unit. Units are not expected to be separately assessed for the first year of condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2024/2025 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual condominium Unit is sold, the purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2024/2025 tax year. It is anticipated that Units will be separately assessed for the 2025/2026 tax year.

The Sponsor is not applying for any property tax exemption or abatement. The Sponsor has received an estimate from Metropolitan Realty Exemptions, Inc. ("MRE"), 118 Middleton Street, Brooklyn, NY 11206, of an estimated post-completion assessed value for the entire building of $106,295.00. Assuming a tax rate of 12.267% for Tax Class 2 properties, which is the tax rate for tax year 2023/2024, the projected total tax burden for the entire building is $13,039 for the 2024/2025 tax year. The real estate taxes payable in SCHEDULE A are determined by applying the tax rate to the post-completion assessed value of the building for the 2024/2025 tax year that coincides with the projected first year of condominium operation, and then allocating the resulting taxes in direct proportion to the allocation of common interest. The City of New York is not bound by the allocation of common interest and may allocate on a different basis. All figures are estimates.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's Counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation, due to the fact that it will qualify as an exempt homeowner's association under section 528(c)(1) of the IRS code. As a result, the condominium may not be subject to Federal corporate income tax on its taxable income, if any.

There are no tax certiorari proceedings currently pending. Individual owners may challenge the assessment of their property by filing a tax protest in accord with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of unit owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all unit owners. The Building benefits from the limitations imposed by Sections 581 (which prevents a building from being assessed at a higher level than similarly situated rental properties merely because of its status) and 1805 (which limits the annual increases due to changes in market value) of the Real Property Tax Law.

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

METROPOLITAN
Realty Exemptions

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April 21, 2023

Gino Vitale
92 1st Place
Brooklyn NY 11231

RE: 171 Luquer Street
Brooklyn, NY
Block & Lot: 374 - 38

Letter of Opinion regarding proposed real estate tax liabilities for the project located at 171 Luquer Street, Brooklyn, NY

Project Details: Four (4) Residential Rental Units

Dear Sir;

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

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 171 Luquer Street, Brooklyn, NY, and is known as Block: 374, Lot: 38with the New York City Department of Finance ("DOF").

2. The proposed is to convert an existing 2-family house into a multiple dwelling with four (4) residential rental units.

3. The total building SF will remain at the current size of 2,400 square feet.

4. Based on assessment guidelines, the DOF Surveyor's Office shall class the rental units as a tax class 2 (2B) 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.

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 rental projects (specifically, in the Carroll Gardens neighborhood) which have been recently constructed/renovated; (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 $106,295.**

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 **$13,039.**

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

Martin Joseph
Metropolitan Realty Exemptions, Inc.

DEDUCTIONS TO UNIT OWNERS, AND TAX STATUS OF CONDOMINIUM

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code subject to the limitations imposed by the Tax Cuts and Jobs Act of 2017, which act allows an itemized deduction of up to $10,000.00 for the total of state and local property taxes and caps the amount of mortgage interest that can be deducted to $750,000.00 of mortgage debt. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER. Each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation due to the fact that it will qualify as an exempt homeowner's association under section 528(c)(1) of the IRS code. As a result, the condominium may not be subject to Federal corporate income tax on its taxable income, if any.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, judicial decisions, and the Tax Cuts and Jobs Act of 2017. It is emphasized, however, that legislative, judicial, or administrative changes may be made which would require modification of such statements, or that the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.

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OPINION OF COUNSEL REGARDING TAX STATUS OF THE 171 LUQUER STREET CONDOMINIUM PURSUANT TO TITLE 13 NYCRR § 20.3(y)

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

This discussion assumes that the condominium in question, the 171 Luquer Street Condominium, is a validly-formed condominium under New York's Condominium Act (Article 9B of the New York State Real Property Law) consisting of four (4) residential units.

1. Availability of Tax Deductions

A. Tax Deductions for Real Estate Taxes

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

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

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

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

On January 1, 2018, the new federal Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changes the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. The Federal Tax Cuts and Jobs Act of 2017 allows an itemized deduction of up to $10,000.00 for the total of state and local property taxes and income or sales taxes. This maximum applies to both single and married filers.

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

B. Tax Deductions for Mortgage Interest

Prior to January 1, 2018, the general Internal Revenue Code rule concerning interest has been, "There shall be allowed as a deduction all interest paid or accrued within the taxable year on indebtedness." I.R.C. § 163(a). While subsection (h) disallowed deductions for personal interest (I.R.C. § 163(h)(1)), it also clarified, "For purposes of this subsection, the term 'personal interest' means any interest allowable as a deduction under this chapter *other than* (D) any qualified residence interest (within the meaning of paragraph (3))" (emphasis mine). I.R.C. § 163(h)(2). Paragraph (3) stated, "The term 'qualified residence interest' means any interest which is paid or accrued during the taxable year on (i) acquisition indebtedness with respect to any qualified residence of the taxpayer, or (ii) home equity indebtedness with respect to any qualified residence of the taxpayer." I.R.C. § 163(h)(3). "Acquisition indebtedness" is further defined as "any indebtedness which (I) is incurred in acquiring, constructing, or substantially improving any qualified residence of the taxpayer, and (II) is secured by such residence." I.R.C. § 163(h)(3)(B)(i). The subsection limited acquisition indebtedness to $1,000,000.00. I.R.C. § 163(h)(3)(B)(ii). "Home equity indebtedness" was defined as "any indebtedness (other than acquisition indebtedness) secured by a qualified residence to the extent the aggregate amount of such indebtedness does not exceed (I) the fair market value of such qualified residence, reduced by (II) the amount of acquisition indebtedness with respect to such residence." I.R.C. § 163(h)(3)(C)(i). The subsection limited home equity indebtedness to $100,000.00. I.R.C. § 163(h)(3)(C)(ii).

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

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

Given the provisions above, it is my opinion that purchasers who intend to use their units in this condominium for residential purposes and who itemize their deductions will generally be able to deduct their home mortgage interest for

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

These materials are difficult even for practitioners to comprehend, as is evidenced by the plethora of clarifying Revenue Rulings and discussions surrounding the pertinent provisions of the Internal Revenue Code. Potential purchasers are ***strongly*** advised to consult with their own tax experts with regard to deductibility of mortgage interest, as § 163 contains several limitations on deductibility that may or may not apply to a given taxpayer's specific situation. This opinion is only intended to render a general opinion; purchasers' or owners' specific situations are well beyond the scope of this document and require a far more tailored analysis.

2. Income Tax Status of the Condominium

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

respect to a condominium project substantially all of the units of which are used by individuals for residences." I.R.C. § 528(c)(2).

Given that this condominium consists solely of residential units and contains no commercial units, it is my opinion that this condominium as managed by its Board of Managers will qualify as a homeowners association within the meaning of I.R.C. § 528 and will therefore be exempt from income taxes, provided, of course, that the Board of Managers properly elects to file under § 528.

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

Real Property Law § 339-(i) governs allocation of common interest and provides four acceptable methods for allocating common interest among condominium units. The allocation of common interest to the units in this condominium has been made pursuant to Real Property Law § 339-(i)(1)(iv), which allows for common interest to be "based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit." N.Y. REAL PROP. LAW § 339-(i)(1)(iv). It is my opinion that this condominium's allocation of common interest complies with Real Property Law § 339-(i)(1)(iv). This opinion is also based on expert factual determinations as required by § 20.3(i) of Title 13 NYCRR; specifically, Sponsor's expert's opinion included in the Offering Plan at the section entitled COMPLIANCE WITH REAL PROPERTY LAW 339-(i)(1)(iv).

Conclusion

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

rulings, or the New York State tax law, as amended, and cause the unit owners not to be entitled to income tax deductions or the benefits described above.

Sincerely,
Claudia V. Murdoch
Claudia V. Murdoch
June 22, 2023

RESERVE FUND

Sponsor is not creating a fund on closing to be used as a reserve for capital expenditures. However, the budget for the first year of condominium operation in SCHEDULE B includes a budgeted yearly Capital Reserve Fund for repair and replacement of major systems or structural elements of the building. This budgeted item will start the gradual creation of a reserve fund. Unit owners will therefore be contributing to the yearly Capital Reserve Fund through their common charges, beginning with common charge adjustments paid at the closings of their individual condominium units. (Unit owners will also, at closing, pay their contributions to the building's Working Capital Fund.) In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. However, in the Sponsor's estimation, and in view of the fact that the building is newly renovated, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan. While the Sponsor is in control of the Board of Managers, the reserve fund may not be used to reduce projected common charges in the Plan.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the fund.

WORKING CAPITAL FUND

At closing of title to each unit, the unit owner for such unit will contribute to the working capital fund of the Condominium an amount equal to two months' common charges (see CLOSING COSTS AND ADJUSTMENTS). Sponsor will make the required contribution for all unsold units at the time of the closing of the first unit, and will be reimbursed therefore on each subsequent closing of a unit by the unit purchaser. This Working Capital Fund will be used to make repairs and improvements and for other appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in SCHEDULE B. While the Sponsor controls the Board of Managers (see CONTROL BY THE SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

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

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

IDENTITY OF PARTIES

SPONSOR: The Sponsor of this project is 171 Luquer LLC, a New York limited liability company formed on May 18, 2022, with offices located at 295 Columbia Street, #9, Brooklyn, New York 11231.

The principal of the Sponsor is Gino Vitale of the same address. Mr. Vitale has been a real estate developer for more than 20 years and has developed numerous properties in Brooklyn. There are no felony convictions, convictions of any kind, bankruptcies, or injunctions against the Sponsor or principal of the Sponsor except that on December 7, 2015, Mr. Vitale pled guilty to giving a gratuity to a building inspector, a misdemeanor. He paid a fine and was issued a certificate of relief the same day. The matter was terminated.

There are no 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 15 years prior to the submission of this Offering Plan except as follows:

- Supreme Court of the City of New York, County of Kings, Index No. 27146/2010. Plaintiff Anna Mockler was a unit owner and former member of the condominium board of managers of the 128 Pioneer Street Condominium, 128 Pioneer Street, Brooklyn, NY. Ms. Mockler brought suit against the sponsor (Castle Properties LLC), principals, and condominium, alleging that she was told it would be possible to add an additional floor to the building. The outcome of the case was a judgment in favor of Ms. Mockler in the amount of $200,500.80, which the defendants satisfied in 2018. The matter has been terminated since 2018.

Neither the Sponsor nor principal of the Sponsor have previously been a sponsor or principal of the sponsor of any condominium or cooperative conversions in or from the state of New York in the preceding five years except that Gino Vitale is/was a principal of the sponsor for the following projects:

- 110 Luquer Street Condominium (The), 110 Luquer Street, Brooklyn, NY (Submitted for review June 13, 2023; not yet accepted for filing)

- 112 Luquer Street Condominium (The), 112 Luquer Street, Brooklyn, NY

(Submitted for review June 13, 2023; not yet accepted for filing)

- 110 Summit Street Condominium (The), 110 Summit Street, Brooklyn, NY
  File No. CD20-0155
  (All units closed; the sponsor retains no unsold units)

- 112 Summit Street Condominium (The), 112 Summit Street, Brooklyn, NY
  File No. CD17-0360
  (All units closed; the sponsor retains no unsold units)

- 546 Clinton Street Condominium (The), 546 Clinton Street, Brooklyn, NY
  File No. CD16-0212
  (All units closed; the sponsor retains no unsold units)

COUNSEL: Sponsor has retained Claudia V. Murdoch, Esq. of The Law Office of Claudia V. Murdoch, P.C., 117 Seventh Avenue, Brooklyn, New York 11215, to represent it in the conversion of the premises to condominium ownership. Ms. Murdoch prepared this Offering Plan. Sylvester J. Sichenze, Esq., 7703 5th Avenue, Brooklyn, New York 11209, will act as the Sponsor's closing attorney and will be the escrow agent for purchasers' down payments. Ms. Murdoch and Mr. Sichenze represent the Sponsor, not the Condominium, which is not represented by counsel.

ARCHITECT / ENGINEER: The architect, Henry Radusky, R.A., 6321 New Utrecht Avenue, 2nd Floor, Brooklyn, NY 11219, has examined the physical condition of the property and has rendered his report thereof as set forth in Part II starting at Page AR1. Mr. Radusky has been a licensed architect in the state of New York since 1981. Representative projects include the properties located at 1266 Ocean Parkway and 2812 Kings Highway in Brooklyn and 304 Fifth Avenue in Manhattan. The architect has no financial interest in the property, Sponsor, condominium, selling agent, or any other party interested in this transaction, except for his fee for services rendered in connection with his report.

MANAGING AGENT: The Sponsor shall manage the Building without charge for the first year of operation. Thereafter, the Condominium shall decide as to whether it deems it necessary or desirable to employ any individual(s) or firm(s) for the purpose of managing, operating and maintaining the Building. Due to the size of the building it is anticipated that the building will be self-managing.

SELLING AGENT: The Sponsor is currently the selling agent for the plan. The Sponsor has not previously been the selling agent for any offering of condominium or cooperative interests in real property in or from the state of New York.

GENERAL

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

Sponsor is not aware of any circumstances that may affect the use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in this Offering Plan. There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons that might become a lien against the Property or that may materially affect this offering, the Property, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium. The subject premises are not landmarked.

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

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

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

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

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

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

DOCUMENTS ON FILE

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

REPORT TO UNIT OWNERS

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

1) On or before March 1st of each year a financial statement. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant or public accountant.

2) Prior notice of the annual Unit Owners meeting, which shall occur in March, and which notice shall be no less than thirty (30) days prior to the scheduled meeting.

3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this budget shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

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

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

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

The original building is an existing residential dwelling built approximately in the year 1910 which is undergoing a complete gut renovation and horizontal extension. All trims, frames, lintels, panels, or any other elements that were painted surfaces will be removed. All new painted finishes shall be non-lead based paint finishes. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Sponsor and its principals are in compliance with New York City Local Law 1 of 2004. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included in Part II of this Offering Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for, lead paint. See ARCHITECT'S REPORT located in Part II of this Offering Plan.

PART II

PURCHASE AGREEMENT
171 Luquer Street, Unit ____, Brooklyn, New York

Purchaser(s) _____

Address_____

Home Telephone_____ Business Telephone_____

Purchaser's S.S.No_____

Purchaser's Attorney_____

Attorney's Address_____

Attorney's Telephone No_____

Broker_____Telephone No_____

Unit_____ Common Interest_____% Common Charges $_____

Cash Purchase Price $_____

Down Payment (herewith) $_____

Balance Due on Closing $_____

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

1. OFFERING PLAN READ. As Purchaser, I have received and read the Offering Plan of Condominium Organization (the "Offering Plan" or "Plan") with respect to premises located at 171 Luquer Street, Brooklyn, New York.

The Offering Plan for said premises, including all documents set forth in Part II thereof and any amendments thereto, is incorporated herein by reference with the same effect as if set forth at length. In the event of any inconsistency between the terms of the Offering

Plan and this Purchase Agreement, the terms of the Offering Plan shall control. I hereby accept and approve the Plan (and all of said amendments thereto, if any) and agree to abide and be bound by the terms and conditions thereof. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

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

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

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

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

5. PAYMENTS HELD IN TRUST AT NAMED BANK. The Seller will hold all monies received by it directly or through its agents, employees or escrow agent, in trust, in compliance with the trust fund provisions of section 352-h and section 352-e(2)b of the General Business Law, until actually employed in connection with the consummation to the Offering Plan. All such monies will be deposited with TD Bank, under the name of Sylvester Sichenze Client Funds Account. The funds so deposited will be released by the escrow agent, an attorney at law, only for the purposes of, and in conformity with the consummation of this Plan, or returned to me as herein provided. All down payments will be placed in an IOLA account. IOLA stands for "interest on lawyer accounts," and is a special type of account maintained by an attorney for the purpose of holding escrow

funds. The escrow account is federally insured by the FDIC at the maximum amount of $250,000. To the extent that the total contract deposits exceed $250,000, they will not be federally insured. If purchasers have accounts at the same bank as Sponsor's account that holds escrowed funds, purchaser funds at the escrow bank factor into the $250,000 insurance limit. Interest earned on IOLA accounts is paid over to the state of New York. No interest is credited to either the purchaser or the seller.

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

The Escrow Agreement is attached hereto as Exhibit B.

6. ACCEPTANCE OF CONDITION. My signing of this Purchase Agreement shall constitute my acceptance of said apartment "As Is," except for those matters which are the responsibility of the Sponsor as stated in the Plan. Sponsor's obligation, regardless of any limitations in the warranty or in the Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

7. THIS AGREEMENT IS CONTINGENT. It is agreed that this Purchase Agreement is contingent upon the Plan being declared effective. Purchasers will be offered the opportunity to rescind their Purchase Agreement in the event closing does not occur within 12 months from the commencement date of the projected budget at the time the Purchaser enters into the Purchase Agreement and within 12 months after the date the fully executed Purchase Agreement is received. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

8. ABANDONMENT OF PLAN. The Plan may be abandoned by the Seller at any time prior to its being declared effective, and thereafter only for reasons heretofore set

forth in the Plan. The Plan shall be abandoned by amendment duly filed with the Department of Law of the State of New York and upon notice to all prospective purchasers who have signed the Purchase Agreement.

9. REFUND AND LIMITATION ON CLAIMS. If the Plan is abandoned or does not become effective within twelve (12) months from the date of presentation and is not extended, this Agreement shall be deemed canceled and the Plan terminated and I am to receive back, not later than ten (10) days thereafter, in full, all monies paid by me hereunder. Upon such payment no party shall have any claim against any other party or person, the Sponsor, the Seller, or the agent, and all parties shall be released from all obligations hereunder and under the Plan.

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

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

In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing and the Sponsor elects not to cancel the Purchase Agreement, or if the

Sponsor approves the Purchaser's request to adjourn the Closing Date, interest shall accrue on the unpaid amount of the purchase price from the original Closing Date until such amount is paid. The interest rate shall be ten percent (10%) per annum. This rate shall be in effect for as long as there is any unpaid amount owing towards the full purchase price.

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

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

13. CLOSING COSTS. Purchaser shall be responsible for paying all costs as outlined in the Section of this Offering Plan entitled Closing Costs and Adjustments. Pursuant to the amendment to the New York State Tax Law Section 1404(a) effective July 1, 2021 (the "Amended Tax Law"), the New York State Transfer Tax ("NYSTT") shall specifically be payable by the Purchaser/grantee pursuant to the terms of the Offering Plan and this Purchase Agreement, and the NYSTT shall no longer be "grossed up." The New York City Real Property Tax ("NYCRPTT") shall also be paid by the Purchaser/grantee pursuant to the terms of the Offering Plan and this Purchase Agreement, and the amount of the NYCRPTT shall be deemed additional consideration for the unit purchased, resulting in a "grossed up" sales price for a "tax on a tax" effect.

14. ENTIRE AGREEMENT, OPPORTUNITY TO EXAMINE, NON-ASSIGNABILITY. The entire contract between the parties hereto is set forth herein and in the Plan and as the Plan may be amended from time to time. The only representations made to me are those contained herein and in the Plan, as may be amended. I have not relied upon any representations, statements, or warranties, written or oral, as to any matter or estimate that is not set forth herein and in the Plan. I have had at least three days to read and review the Offering Plan and all amendments and have had the opportunity to examine

all the documents filed as Exhibits, volume A, B and C to the Plan. This Agreement is not assignable by me without prior written consent of the Seller and shall bind and apply to the parties hereto and their personal legal representatives, successors and assigns and may not be amended, changed or discharged orally.

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

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

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

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

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

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

19. IDENTIFICATION OF PURCHASER. I represent that I am a person over 18 years of age. The term "I" shall read as "we" and "purchaser" shall be read as "purchasers" if more than one person are purchasers, in which case our obligations shall be deemed joint and several. I further represent to the Condominium and to all of the persons who are Unit Owners that I am purchasing the Unit for my own account and that Sponsor will have no interest, direct or indirect, in the Unit being purchased hereunder.

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

discriminatory inducement.

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

22. MORTGAGE FINANCING. This Purchase Agreement will be conditional on Purchaser obtaining a mortgage loan in an amount not less than $
from an institutional lender. Purchaser shall apply for said loan within five (5) business days after receipt of a fully executed copy of this Purchase Agreement and shall have forty (40) days from the signing of said Purchase Agreement to obtain said mortgage commitment. Purchaser agrees to accept any commitment offered by the aforementioned lending institution provided same is in at least the amount set forth above, and the Purchaser has reasonably determined they can satisfy the conditions set forth therein. In the event Purchaser fails to obtain such commitment within forty (40) days from the date of execution of the Purchase Agreement, either party may cancel this Purchase Agreement on five (5) business days written notice to the other party, whereupon this Purchase Agreement shall become null and void, and the down payment shall be returned to the Purchaser. If the financing commitment lapses or expires prior to closing and the Purchaser has made a good faith effort to extend the commitment but has been unable to do so, then so long as the Purchaser notifies the Sponsor within five (5) business days of the lending institution's refusal to extend the commitment, the Sponsor shall grant to the Purchaser a right of rescission. **IN THE EVENT THAT SPONSOR'S ATTORNEY DOES NOT RECEIVE SUCH NOTICE OF FAILURE TO OBTAIN FINANCING WITHIN FIVE BUSINESS DAYS AFTER EXPIRATION OF THE FORTY-DAY-PERIOD SET FORTH ABOVE (OR ANY EXTENSION THERETO), PURCHASER SHALL BE REQUIRED TO CLOSE WHETHER OR NOT PURCHASER RECEIVES FINANCING.**

23. AMENDMENTS. After acceptance of my Purchase Agreement and so long as I

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

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

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

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

27. SURVIVAL. The Closing of Title to the Unit and the delivery of the deed thereto shall be deemed full compliance by the Seller with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom.

28. EXECUTION OF FORMS. It shall be a condition of this contract that I shall execute and deliver to the Sponsor's attorney all forms and papers required by the State of New York and City of New York in connection with the purchase of the Unit including

but not limited to the "RPT" form.

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

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

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

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

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

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

32. CONSTRUCTION

A. The construction of the building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to

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

B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and "plans and specifications" as indicated in the Plan in "RIGHTS AND OBLIGATIONS OF THE SPONSOR," and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in said section.

33. INSPECTION OF UNIT. At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or their duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit A to this Agreement) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "RIGHTS AND OBLIGATIONS OF THE SPONSOR."

34. NOTICES. All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid, and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Purchase Agreement and, if sent to Sponsor, addressed to the Sponsor's Attorney as indicated in this Plan. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is

effected or when deposited in any branch station or depository maintained by the U.S. Postal service in the City and State of New York, except that a notice of change of address shall be deemed given when actually received. Notice may also be given by overnight delivery service or e-mail and regular mail, and shall be deemed effective when received or when delivery is attempted. Any notice required to be given hereunder may be given to the attorney of the respective party.

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

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

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

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

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

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

41. SMOKING POLICY. Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements. Purchaser acknowledges and agrees to abide by this policy.

DATE: , 20 .

Purchaser

Purchaser

APPROVED AND ACCEPTED
171 LUQUER LLC
by:

_____

_____
ESCROW AGENT

EXHIBIT A
PRE-CLOSING INSPECTION STATEMENT
(*Not to be completed until pre-closing walk-through inspection*)

We/I, the named purchaser/s in a contract for Unit at 171 Luquer Street, Brooklyn, New York, certify that we/I have this day inspected said unit, and agree to accept same in its present condition, subject to completion or repair of the items set forth on the list attached hereto.

_____

_____

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

APPROVED AND ACCEPTED
171 LUQUER LLC

By:

_____

EXHIBIT B
ESCROW AGREEMENT FOR CONTRACT DEPOSIT

ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this day of , 20 , by and among _____ ("PURCHASER"), 171 LUQUER LLC ("SPONSOR") as Sponsor of the Offering Plan, and SYLVESTER J. SICHENZE ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium units at the premises located at 171 Luquer Street, Brooklyn, New York, subject to the terms and conditions set forth in the Plan; and

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

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

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of Unit(s) _____ at premises 171 Luquer Street, Brooklyn, New York at TD Bank, a bank authorized to do business in the State of New York, at its branch located at 8201 15th Avenue, Brooklyn, New York 11209. The name of the account is SYLVESTER SICHENZE CLIENT FUNDS ACCOUNT.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Sylvester J. Sichenze, Esq. All designated signatories are admitted to practice law in the State of New York. All of the signatories on the Escrow Account have an address of 7703 5th Avenue, Brooklyn, New York 11209, and a telephone number of (718) 680-0400.

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

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

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

2. DEPOSITS INTO THE ESCROW ACCOUNT.

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

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

3. RELEASE OF FUNDS.

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.3.2. ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

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

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

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

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

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

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

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

4. RECORDKEEPING.

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

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm, or by the successor firm and shall notify the New York State Department of Law of such transfer.

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

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

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

6. RESPONSIBILITIES OF SPONSOR.

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

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

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

7. TERMINATION OF AGREEMENT.

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

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

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

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

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

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

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

11. SEVERABILITY.

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

12. INDEMNIFICATION.

12.1 SPONSORS agree to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

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

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

ESCROW AGENT:
Sylvester J. Sichenze, Esq.

By:_____
Name: Sylvester J. Sichenze, Esq.

SPONSOR:
171 LUQUER LLC

By:_____
Name:

PURCHASER:
[INSERT NAME]

By:_____
Name:_____

UNIT DEED

THIS INDENTURE made the day of , 20 , between 171 Luquer LLC, 295 Columbia Street, #9, Brooklyn, New York 11231 (hereinafter "Grantor"), and ,(hereinafter "Grantee");

W I T N E S S E T H:

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

The Unit described in the attached Schedule A.

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

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

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

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

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

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

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

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE 171 LUQUER STREET CONDOMINIUM recorded in the Kings County Office of the Register of the City of New York on the
day of , , at CRFN

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

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

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

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

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

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

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

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

171 LUQUER LLC
By:

_____

STATE OF NEW YORK)
COUNTY OF) SS.:

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

_____
NOTARY PUBLIC

POWER OF ATTORNEY

THE UNDERSIGNED, the Owner of Unit No. in the Condominium known as THE 171 LUQUER STREET CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration recorded the day of , 20 , in the Kings County Office of the Register at CRFN in the floor plan of file as Map No. , do hereby nominate, constitute, and appoint persons who may from time to time constitute the Board of Managers of THE 171 LUQUER STREET CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate, or otherwise, on behalf of all Owners of Units whose Owner in said Property, in accordance with their Common Interests, any Unit whose Owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of, the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including, but not limited to, Amendment of said Declaration, execution of the Deed conveying condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

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

The Power of Attorney shall be irrevocable.

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

_____ _____

STATE OF NEW YORK)
COUNTY OF) SS.:

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

_____
NOTARY PUBLIC

SAMPLE INTERIM LEASE

AGREEMENT made this day of , 20__, between 171 LUQUER LLC, (hereafter SPONSOR) and __
, (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at 171 Luquer Street, Brooklyn, New York; and,

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

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

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

1) Commencing on _____, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned apartment.

2) PURCHASER shall pay a fee for use and occupancy of the apartment of $_____ per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws.

3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment.

4) The terms of the Offering Plan, and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.

5) As of the date of this Agreement, risk of loss to the apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Offering Plan.

6) PURCHASER shall pay all utility costs and make any repairs to the apartment for which he would be obligated as owner. SPONSOR will not be responsible for ordinary wear and tear to the apartment during the PURCHASER'S occupancy.

7) PURCHASER may not make any alterations to the apartment without SPONSOR'S written consent.

8) This lease will terminate on the happening of the earliest of the following:

a- Closing;
b- Rescission of the Purchase (Agreement by PURCHASER);
c- Default by PURCHASER.

9) Upon a default by PURCHASER or Rescission of the subscription agreement by PURCHASER, which is not cured within 15 days after notice thereof, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the apartment within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the apartment. PURCHASER agrees to pay SPONSOR $_____ per day for each day he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

10) Any default under this agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the apartment, and may result in loss of the down payment. Before the Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the unit.

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

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

13) New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy; the policy for this condominium is as follows: This building prohibits smoking or using electronic cigarettes in any indoor areas of the building. Smoking and electronic cigarette usage is permitted only in outdoor common areas and outdoor limited common elements. Purchaser acknowledges and agrees to abide by this policy.

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

SPONSOR
171 LUQUER LLC

_____

PURCHASER

_____

TAX ESCROW AGREEMENT

AGREEMENT made this 31st day of July, 2023, by and between 171 LUQUER LLC (hereinafter "Sponsor"), and THE BOARD OF MANAGERS OF THE 171 LUQUER STREET CONDOMINIUM (hereinafter "The Board");

W I T N E S S E T H:

WHEREAS, Sponsors are the Sponsors of the Offering Plan for the conversion to condominium ownership of the land and building located at 171 Luquer Street, Brooklyn, New York; and,

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

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

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

NOW, THEREFORE, the parties agree as follows:

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

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

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

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

5. If the escrow was kept in an interest-bearing account, the interest earned thereon belongs to the Sponsors.

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

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

171 LUQUER LLC
by:

GINO VITALE, Principal

THE BOARD OF MANAGERS OF THE
171 LUQUER STREET CONDOMINIUM
by:

GINO VITALE, President

ARCHITECT'S REPORT

THE 171 LUQUER STREET CONDOMINIUM

Prepared By:

HENRY RADUSKY, R.A.
6321 New Utrecht Avenue, 2nd Fl
Brooklyn, NY 11219
Phone: (718) 259-1100

January 4th, 2024

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building is located at 171 Luquer Street in the Carroll Gardens Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11231.

(2) Block and lot number:

The site is located on Tax Lot number 38 in Tax Block number 374.

(3) Zoning:

The site is located in a R6B zone as designated on Map number 16c of the N.Y. City Zoning Resolution.

The building is an existing building which is being renovated pursuant to the Quality Housing Zoning Requirements and will comply with Section 28 of the current N.Y. City Zoning Resolution.

There were no Zoning Variances or Waivers required for the approval of the building plans.

The building is not required to comply with the Quality Housing requirements for refuse storage and recreation rooms as there are less than nine units in the building. The square footage deduction for elevated ground floor units, laundry facilities, daylight in corridors and density of corridors have also not been utilized in this development.

There is an existing paved area between the front facade of the building and the front property line with existing exterior steps to the basement and first floor and exterior access to the cellar level which will remain, therefore there is no space for planted area.

There is an existing tree planted at the sidewalk area in front of the property which will remain.

(4) Permissible Use:

The Zone permits the continuation of the existing Residential use as of right. The property and proposed use will comply with all zoning and use requirements at closing.

The residential unit located mainly at the basement floor is designed to be ADA compliant as required by the 1968 New York City Building Code. The building has been designed to comply with all applicable Federal and State regulations and the 1968 N.Y. City Building Code and Local Law 58 / 87, as it relates to the provision of required ADA units and the accessibility of such units.

The existing steps and entrances to the building at the basement and first floor levels are existing and will remain in the same location.

The existing use of the building as a four unit multiple dwelling will remain the same.

(b) STATUS OF CONSTRUCTION

(1) Year built:

The original building was constructed approximately in 1910.

The existing building underwent a complete gut renovation and was extended horizontally on each floor from the cellar, basement and first through to the third floor level, horizontally to the rear of the building.

The building is currently substantially completed.

(2) Class of construction:

The existing Class of Construction is 3 as described by the pre 1968 New York City Building Code. Construction Class 3 of the (Pre 1968, Old Code) is equivalent to and has the same fire resistance rating requirements of Construction Class II B of the 1968 Building Code.

The proposed class of construction is Construction Class II B as per table 3-4 of the 1968, New York City Building Construction Code.

The structural support members (existing and new) will consist of non-combustible materials with a minimum fire resistance rating of two hours. Structural floor / ceiling and roof / ceiling assemblies will be of non-combustible and combustible materials with a minimum fie resistance rating of one hour.

(3) Certificate of Occupancy, type and number:

The building has a current Certificate of Occupancy Number 143462 from a previous Alteration number 3671-1946 which establishes the current use of the building as a four family multiple dwelling as per records obtained from the N.Y. City HPD website.

The Sponsor will obtain a Signoff from the N.Y. City Department of Buildings for the extension to the rear and interior renovation of the building. The building is an existing four unit residential building and will remain as such.

The estimated date of obtaining the Signoff for the building is December of 2023.

(4) Permit numbers and description of work done:

The building is being renovated as per plans which were filed with, examined and approved by the Brooklyn Office of the N.Y. City Department of Buildings.

The renovation of and extension to the building is being done under N.Y. City Department of Buildings, Type 2 Alteration application number B08020385.

The required permits for foundation work, plumbing and general construction were obtained by the Sponsor's contractor prior to the commencement of the alteration work to the existing building. The renewal for permit number B08020385-I1-GC-CX was issued on 06/30/2023 and is valid until 12/28/2023 for the interior renovation and extension to the building.

The renovation and extension to the building is now substantially complete as of the date of this amended Report.

(c) **SITE**

(1) Size:

The site is located on the Northerly side of Luquer Street, distance eighty nine point seventeen (89.17) feet Westerly from the corner formed by the Westerly side of Court Street and the Northerly side of Luquer Street. The site has a frontage of twenty one (21.00) feet along Luquer Street and extends to a depth of one hundred (100.00) feet, perpendicular to the Luquer Street property line.

The site has an area of approximately two thousand (2,000.00) square feet.

(2) Number of buildings and use:

There will be one building with four residential units 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. Luquer Street is an existing fifty (50.00) foot wide one-way street.

The existing concrete sidewalk fronting the property is in good condition and will remain and be repaired where necessary when construction is near completion.

(ii) Curbing (material and condition);

There is an existing bluestone curb fronting the property which will remain. The existing bluestone curb is in good condition and will be repaired as necessary when construction is near completion. The existing and new curb will be free of tripping hazards.

The existing curb and sidewalk are ADA compliant and will be replaced and repaired as per the standards of the N.Y. City Department of Transportation.

(iii) Catch Basins (location and condition);

The existing roadway is asphalt paved and is in good condition. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. The existing catch basins are in good condition and are constructed of concrete with steel grating covers. Existing catch basins are located along Luquer Street and along Court Street and were installed by the N.Y. City Department of Transportation.

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

The existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions surmounted with high efficiency 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 Luquer Street. The existing street lights are in good condition.

(v) Conformity with Municipal Codes;

The sidewalk paving and curb are existing and are ADA compliant and will remain and will not be replaced. In addition catch basins and street lighting are designed to conform to the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and Building Code and are subject to approval and inspection by these agencies.

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

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be no paved driveways on the property.

(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.

(iv) Street lighting (material, type, location and condition); There will be no street lighting on the property.

(v) Conformity with municipal codes;

All paving and drainage devices were designed to conform to the standards of the N.Y. City Department of Buildings and the N.Y. City Building Code.

(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 provided for the building.

Electricity, will be provided by Consolidated Edison, 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 be transported to the building's storm drainage system and to the existing N.Y. City Storm Drainage and Sewer System which will remain and will not be replaced.

(e) **SUB-SOIL CONDITIONS**

The site is located in a non-shaded Zone X within FEMA Map panel number 3604970211F and preliminary map panel 3604970211G. The location indicates that the site is in an area determined to be outside of the 0.2 % annual chance flood plane and of minimal flood hazard.

The soil at the bottom of the footings was determined to be Class 3b soil, as per test pits which were performed by IP Concrete Testing & Inspection Inc, 101-01 101 Avenue, Queens, NY 11416. The existing soil has an allowable, load bearing capacity of approximately three tons per square foot.

The existing and new building foundation systems have been designed to support the calculated loads.

Structural plans for the existing foundation wall and footings and the construction of new foundation walls and footing and the general structural framing, have been prepared by a N.Y. State licensed Structural Engineer. The structural plans have been filed with and have been approved by the New York City Department of Buildings.

The existing foundation walls and footings at the cellar level towards the front and at the sides of the building will remain. There will be new poured, reinforced, concrete foundation walls and footings constructed at the rear of the building for the horizontal addition to the building.

The new concrete floor at the cellar will be constructed on a six mil vapor barrier and gravel and compacted fill. New foundation walls and footings shall be protected below grade with a troweled on mastic, waterproofing membrane and clean gravel fill adjacent to the walls at the exterior. The protective membrane and adjacent gravel fill at the foundation walls and footings will facilitate drainage away from the foundation walls and footing. There will be no other sub-grade drainage system.

(1) Uneven foundation movement (cracking, mortar joint decay, etc.);

There is no apparent evidence of uneven foundation movement, settling, cracking or mortar joint decay.

(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 no apparent danger from flooding due to a water table or overflow from other bodies of water. As per the test boring results, ground water was encountered at approximately fourteen feet below the normal grade level of the site.

The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties.

There are no land subsidence, expansive soils, hazardous materials and / or environmental restrictions present on the property.

(f) LANDSCAPING AND ENCLOSURES

(1) Grass cover (type, location);

The existing front yard area is paved and contain existing steps to the basement level and a hatch to the cellar level. There will be no grass areas at the yard area to the rear of the building. Non-paved areas shall be of compacted earth. The areaway to the rear of the building will be of reinforced concrete construction.

(2) Plantings (type, location);

There will be no plantings at the rear yard area.

(3) Trees (type, location);

There are no existing trees in the yard areas. There is an existing tree with an 18 inch caliper at the sidewalk area in front of the property. The existing tree will remain and will not be removed. The species of the existing tree is not known.

(4) Fencing (type, location);

There will be a six foot high, decorative fencing at the perimeter of the yard area to the rear of the building. The fencing will be of cedar wood panels supported by 3 ‘ x 3’ extruded aluminum posts. The panels will be finished with a clear, exterior wood stain.

There will be a new galvanized steel grating cover at the areaway to the rear of the building. The grating will be approximately flush with the average grade level of the site.

(5) Gates (type, location);

There is a new, single hinged, wrought iron gate and wrought iron fencing which replaces an existing wrought iron gate and fence at the sidewalk area in front of the property. The wrought iron gate is approximately thirty four inches in width by thirty inches in height which matches the height of the fence above the adjacent grade at the sidewalk. The gate and fencing is finish with a primer cot and a finished coat of exterior grade, metal paint.

(6) Garden walls (type, location);

There will be no garden walls at the open yard area.

(7) Retaining walls (type, location);

There is a new retaining wall enclosure to the rear of the property enclosing the areaway. The retaining wall is constructed of reinforced concrete, approximately twelve inches thick and will extend to the depth of the cellar floor level to the rear of the building. The retaining wall has a smooth concrete finish and is constructed with weep holes to alleviate the build up of pressure from the surrounding soil. There is a cast iron, area drain located at the bottom of the areaway which is connected to the building's storm drainage system. There is a wrought iron guardrail at the open perimeter of the areaway. The guardrails are a minimum height of three feet and six inches above the adjacent finished grade of the rear yard. The maximum spacing between vertical mullions of the railings is approximately four inches (4") on center, as required by the N.Y. City Building Code. All exterior metals, including fasteners are corrosion resistant.

There are no horizontal intermediate components at the guardrails at the perimeter of the areaway.

(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 thirty six feet measured from the average grade level at the front of the building, to the roof above the third 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 one cellar level below the basement floor level of the building. There will be no sub-cellar level.

(4) Number of floors (actual including penthouses);

The existing building will consists of a cellar, basement, first, second and third floors.

The cellar floor will have a floor to ceiling height of approximately eight feet. There will be a basement floor level with a floor to ceiling height of approximately eight feet. The first, and second floor levels will each have a floor to ceiling height of approximately eight feet and six inches. The third floor will have a floor to ceiling height of approximately nine feet.

(5) Equipment rooms (location and use);

There will be a sprinkler equipment and electric meter closet located at the cellar floor level towards the front of the building. There will be one mechanical / laundry closet within each residential unit, within which the hot water heaters for the residential units will also be located.

(6) Parapet (height above roof);

There will be new, parapet walls located at the extension to the sides and rear of the building at the roof above the third floor. The parapet walls will be a minimum height of approximately four feet above the finished roof area.

(h) STRUCTURAL SYSTEM

There were Foundation Plans and Structural plans prepared by Proactive Engineering, PLC, 1016 Denton Avenue, New Hyde Park, NY 11040. The plans were filed with the N.Y. City Department of Buildings.

The existing structural system of the building is a bearing wall type system. There are existing masonry foundation and load-bearing walls, at the side property lines and to the front and rear of the building which will remain. The existing load bearing masonry walls are in good condition and will be repaired if necessary.

The existing masonry foundation and load- bearing wall at the rear facade of the building will be removed and will be replaced with new reinforced masonry foundation walls and load bearing walls at the sides and rear of the extension to the building.

The existing wood joists and subflooring of the building are in good condition and will remain. There will be new steel, channel joists at the extension to the rear on all floor / ceiling and roof assemblies above the cellar level.

New foundation walls and footings for the extension to the rear will be of poured, reinforced concrete construction. The new footings and foundation walls will be tied into and will match the level of the existing foundation walls and footings of the building.

New foundation walls and footings shall be protected below grade with a troweled on mastic, waterproofing membrane and clean gravel fill adjacent to the walls at the exterior. The protective membrane and adjacent gravel fill at the foundation walls and footings will facilitate drainage away from the foundation walls and footing. There will be no other sub-grade drainage system.

The existing floor at the cellar level will be replaced at the same location with a new, 4 inch thick, poured, steel mesh, reinforced concrete slab on a six mil vapor barrier and gravel and compacted fill. The new cellar floor at the extension will also be a new, 4 inch thick, poured, reinforced, concrete slab on a six mil vapor barrier and gravel and compacted fill to match the existing cellar floor level.

The floor / ceiling assembly at the upper floors shall be a 3/4 “hardwood finished flooring on a plywood subflooring. The flooring will be supported by the existing wood joists and new steel channel joists at the extension to the rear. The underside of the assembly shall be of gypsum wallboards attached to steel channel joists with resilient steel channels.

The existing roof / ceiling assembly is a multi-ply, rubberoid roofing finish on rigid insulation supported on plywood underlayment on existing wood joists. The existing roof is in good condition and will be repaired as necessary with a new, 4 ply, rubberoid, roofing finish to match the new adjacent roof. The new roof area will be a 4 ply, rubberoid roofing finish on rigid insulation on a 3/4" Versarock, exterior, cement board underlayment which in turn will be supported on new steel channel joists. The roof areas will be sloped to existing and new roof drains. The spaces between the joists shall be fitted with sprayed on, closed cell, insulation with an approximate R value of 53. The underside of the assembly shall be of gypsum wallboards attached to resilient steel channels.

Floor / ceiling assemblies shall have an STC of not less than 50 and a IIC rating of not less than 50 in compliance with the 1968 N.Y. City Building Code.

The existing and new structural elements have 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 is Construction Class II B as per Table 3-4 of the 1968 N.Y. City Building Code.

(1) Exterior of Building:

(i) Walls;

The existing exterior walls, at the side lot lines and at the front wall of the building are of load-bearing, solid brick masonry and are in good condition and will remain.

The existing headers and lintels at the windows and doors to the front of the building are of cast stone and are all in good condition. The existing decorative cornice is of wood construction which is painted with exterior wood paint and is in good condition.

The existing brick, load bearing walls are a minimum thickness of 8 inches and have a minimum fire resistance rating of 3 hours.

The new exterior walls at the side lot lines and to the rear of the building, shall be load-bearing masonry blocks reinforced with horizontal galvanized steel wire truss system. The exterior surfaces of the new masonry blocks shall be finished with exterior grade rigid insulation and stucco on steel lath. The new exterior masonry blocks will be a minimum thickness of 8 inches and will also have a minimum fire resistance rating of 3 hours.

The interior surfaces of the existing and new masonry walls shall be finished with two inches of continuous, rigid insulation and 5/8 inch thick Type X, gypsum wallboards.

The rigid insulation will have an approximate R value of 13.

All exterior walls shall have a maximum thermal performance value that complies with the New York City Energy Conservation Code and the New York State Energy Conservation Construction Code.

The building is less than six stories in height, therefore Local Law 11 / 98 which requires periodic facade inspections will not be applicable.

(ii) Windows;

The windows at the front facade of the building are existing double glazed, double hung type windows. The windows are in good condition and will remain. Information regarding the age and potential life span of the existing windows is not available.

New windows at the rear facade are double-glazed windows mainly of the double hung type, as manufactured by Pella. There will also be two, new, double-glazed, sliding glass doors, as manufactured by Pella, which will provide access to the areaway at the rear of the building.

The windows have a U- Factor of 0.20. Sliding glass doors have a U-Factor of 0.67.

Glazing of the windows and sliding doors, shall be set in wood frames with EnduraClad, exterior finish. Windows and doors set in aluminum frames shall be equipped with polyurethane thermal breaks. Wood framing provides a natural thermal break for wood framed windows and doors.

The perimeter of window and sliding door openings shall be fitted with a latex-based caulking at interior and exterior surfaces. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot in compliance with the New York City Energy Conservation Code and the New York State Energy Conservation Construction Code.

The manufacturer provides a ten year limited warranty on hardware and glazing and a two year limited warranty on interior factory finish.

The Sponsor reserves the right to provide windows and sliding glass doors by different manufacturers which are equal to or better than noted above.

New window sills shall be constructed of masonry and stucco. Lintels above window openings shall be of steel fabrication protected with wire lath and stucco.

There will be no window screens provided by the Sponsor.

Window guards shall be installed as necessary by each unit's owner when a child under the age of eleven years will reside in the unit. Window guards, where installed, shall be Alumi-Trim window guards.

There will be no lot line windows at the exterior walls of the building.

(iii) Landmark Status;

The building is not located in a designated Landmark area, nor is the building designated Landmark Status.

(2) Parapets and Copings:

The existing masonry, parapet walls at the roof area above the third floor are in good condition and will remain. The existing parapet walls at the side lot lines is approximately two feet and six inches in height above the existing roof. The parapet walls above the extension to the rear of the building will be new, and will be constructed of load bearing masonry with a stucco finish at the exterior surfaces. The new parapet walls shall be a minimum height of approximately four feet above the adjacent roof level. There will be a new, wrought iron, guardrail constructed adjacent to the inside surfaces of the existing parapet walls at the sides and at the front of the building. The guardrails shall be a minimum height of four feet above the finished roof level and shall be constructed so as not to create a ladder effect.

Guardrails shall be finished with a primer coat and a finished coat of exterior metal paint. Guardrails shall be attached to the roof with non-corrosive, support base and fasteners.

All parapet walls shall be capped with extruded aluminum or cast stone coping, which shall be anchored to the masonry walls with non-corrosive steel dowels.

Existing and new parapet walls shall be repaired and constructed with new, stainless steel or copper fabric, base and cap flashing.

(3) Chimneys and Caps:

There will be no vertical, galvanized steel, gas flues and caps provided, for the ventilation of hot water heaters and dryers. Hot water heaters and dryers, located in the mechanical closets within each unit shall be electric.

(4) Balconies and Terraces:

There will be cantilevered, exterior balconies to the rear of the building at the first, second and third floors. There will be no roof terraces areas allocated at the roof area above the third floor.

All terrace areas shall remain open as per the approved plans in compliance with the N.Y City Zoning Resolution and the 1968 N.Y. City Building Code.

(i) Deck Finish;

The finished surfaces of balconies shall be a non-slip, screeded concrete finish. Balcony areas shall be pitched away from the building to allow for drainage at perimeter edge drip grooves.

(ii) Balustrade;

There will be no balustrades at the balcony areas.

(iii) Railings;

Balconies shall be protected at the perimeter with wrought iron guard rails with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The maximum spacing between vertical mullions of the railings shall be approximately four inches (4") on center, as required by the N.Y. City Building Code. All exterior metals, including fasteners, at terrace areas shall be corrosion resistant.

There will be no intermediate, horizontal, mullions at the perimeter of the balcony areas to create a "ladder effect".

(iv) Coping;

Parapet walls at the perimeter of roof areas shall be capped with precast masonry or extruded aluminum, which shall be anchored to the load bearing masonry walls with noncorrosive steel dowel fasteners.

(v) Soffits;

The exterior soffit areas of the cantilevered balconies shall be finished with stucco.

(vi) Doors to balconies and terraces;

The doors to the balcony areas shall be double glazed, sliding glass doors as manufactured by Pella. The doors shall be equipped with double paned glass, set in wood framing finished with EnduraClad exterior finish. Balcony doors shall be equipped with entry type locksets.

Doors have a U-Factor of 0.67.

The manufacturer provides a ten year limited warranty on hardware and glazing and a two year limited warranty on interior factory finish.

Balcony doors that are set in steel framing shall be constructed with polyurethane thermal breaks.

The Sponsor reserves the right to provide doors to balcony areas by different manufacturers which are equal to or better than noted above.

(5) Exterior entrances:

There will be two exterior entrances to front of the building and two exterior access doors to the rear of the building.

There will be one main entrance, located at the first floor level, accessible from grade level, via steps, located at the westerly side of the front facade of the building. The entrance will provide access to the unit located at the first level and to the units located at the upper floors, via the main egress stair. There will also be an exterior entrance to the unit located at the basement level, accessible by a few steps below grade level and located below the exterior entrance to the first floor.

There will also be access to the rear yard from the basement level at the rear facade of the building, via two separate sliding glass doors. The rear yard area will be a limited common area to the unit located mainly at the basement floor and part of the cellar.

(i) Exterior Doors and Frames;

The main entrance door at the first floor level will be an existing hollow metal door, with a double glazed panels. The door is set in steel frames and is in good condition. The main door shall be equipped with an entry type lockset an electronic door release connected to an intercom system for the residential units.

The doors to the basement entrance are hollow metal doors with double glazed metal panels. The doors shall be equipped with entry type locksets. The other doors to the rear of the building, at the basement floor level, shall be sliding glass doors, set in extruded aluminum or wood frames and equipped with entrance type locksets.

Existing exterior hollow metal doors will be repainted with a base coat and a finished coat of exterior metal paint.

New doors shall be as manufactured by JeldWen. The sliding glass doors shall be as manufactured by Pella.

The Sponsor reserves the right to provide exterior doors by different manufacturers than noted above.

All new exterior doors shall be constructed with thermal breaks where necessary.

(ii) Vestibule doors and frames;

There will be no interior vestibule door located at the main entrance to the building.

(iii) Exterior Stairs;

There are four existing stairs at the exterior to the front of the building. There will be one new stair to the rear of the building.

There is one existing stair providing access to the first floor from grade level and two existing stairs will provide access to the basement level from grade level to the front of the building. There is also a covered exterior stair to the front which provides access to the cellar level from the front yard area. The stair to the rear will provide access to the areaway from the basement and grade level.

The stairs at the front of the building are of masonry and reinforced concrete construction and are in good condition. The new stair to the rear of the building shall be of galvanized steel construction, with steel channel stringers and non skid, steel plate treads and steel plate risers. Handrails shall be of approximately 1 ½ inch diameter, galvanized, steel pipe railing.

(iv) Railings;

The perimeter of the areaway, stairwells and stair landings shall be protected with solid masonry walls and wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the landing and above the adjacent grade level. The maximum spacing between the vertical mullions of the guard railings shall be approximately four inches (4") on center as required by the N.Y. City Building Code.

Wrought iron railings and guardrails shall be primed and painted with at least one coat of exterior grade metal paint.

(v) Mailboxes;

U.S.P.S. approved type mailboxes shall be provided for each residential unit within the entrance hall at the first floor level. Mailboxes shall be, wall mounted, cluster box units and shall be of aluminum construction.

(vi) Lighting;

There shall be wall mounted, LED lighting fixtures provided adjacent to the main entrance at the first floor level and at the entrance to the basement level. The lighting fixtures, at the main entrances, shall be capable of providing an aggregate illumination equivalent to two hundred (200) watts of incandescent illumination.

Lighting requirements 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 comply with the New York City Electrical Code.

(6) Service entrances:

There will be no separate service entrance to the building therefore the following sub sections will not be applicable to this Report:

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and Roof Structures:

All exterior metals, including fasteners, at roof areas shall be corrosion resistant materials.

The new roof area above the third floor level will comply with the requirements for a sustainable roofing zone as per Local Law 94 of 2019. Other sections of the existing roof will be exempt from the requirements for a sustainable roofing zone; as per Local Law 94 of 2019 and Sections 504.4 and 512.3.1 of the N.Y. City Fire Code.

The exceptions cover the provisions for a minimum six foot wide clear fire department access path at roof areas and mechanical equipment at the roof areas and access paths to such mechanical equipment.

The building plans were reviewed and approved by the N.Y. City Department of Buildings for compliance with the N.Y. City Building codes and Local Laws.

(i) Type roofs for all areas:

There is an existing flat roof area above the existing third floor of the building. There will be a new flat roof area above the addition to the third floor level of the building which has been constructed to overlap and match the level of the existing roof.

Both existing and new roof areas are designed to have a minimum fire resistance rating of one hour as required by the New York City Building Code.

(i) (a) Material;

The existing flat roof area is a rubberoid roofing finish on rigid insulation and exterior grade plywood. The existing roof is in good condition and will be repaired where necessary. The existing roof will be repaired with a new 4 ply, rubberoid roof finish to match the new roof. The new flat roof areas shall be finished with a 4 ply, rubberoid type, built-up roofing membrane, as manufactured by Firestone, on rigid insulation supported on exterior grade Versarock, cement boards, which in turn will be supported by steel joist rafters supported on the load-bearing masonry walls.

The new roof areas will be constructed to provide drainage to the existing and new roof drains.

(i) (b) Insulation;

The spaces between the joist rafters at the interior side of the roof areas shall be filled with sprayed on insulation with an R value of 53. The rigid insulation board below the rubberiod roofing finish has an approximate R value of 14.

The roof assemblies have a minimum fire resistance rating of one hour.

(i) (c) Surface finish;

The finished roof surface shall be a rubberoid, built-up, roofing membrane as manufactured by Firestone.

The Sponsor reserves the right to provide roof finishes of a different material or by a different manufacturer than noted above.

(i) (d) Bond or guarantee;

The expected life span of the roof type is ten (10) years. A ten year “No Dollar Limit Manufacturer’s Warranty” on materials will be provided by the roof manufacturer.

The warranty will commence once the installation of the roof has been completed.

There will be no labor warranty or guarantee provided by the roof installer.

(i)(e) Flashing materials including counter flashing;

The perimeter of the existing and new roof areas at parapet walls shall be repaired or newly fitted with aluminum or galvanized steel flashing and counter flashing.

Penetration of ducts, pipes, skylights, etc. shall be flashed and waterproofed with galvanized steel or stainless steel base and cap flashing.

(ii) Drains:

(ii) (a) There will be new, cast iron roof drain, overflow drain and internal cast iron leader installed at the new roof area, which will be connected to the buildings storm drainage system. There is an existing, cast iron, roof drain at the existing roof area which is in good condition. There will be a new vertical cast iron drain connected to the existing roof drain.

Free flow and overflow drains shall be of cast iron construction. Overflow drains shall be located not less than two inches or more than four inches above the adjacent roof surface. Vertical leaders shall be of cast iron and shall be a minimum diameter of two inches ii compliance with the New York City Building Code.

The runoff at the roof areas will be conveyed to the existing combined sewer which serves the site. All openings and drain pipe penetrations at roof areas shall be flashed and waterproofed with galvanized steel or stainless steel base and cap flashing.

(ii)(b) Gutters and leaders (type, material);

There will be no gutters at the roof area above the third floor.

There will be an aluminum scupper and leader at the roof area above the stair bulkhead which will be connected to the building's storm drainage system. The scupper and leader will drain the storm water runoff from the bulkhead roof on to an aluminum splash block at the roof above the third floor level of the building.

(iii) Skylights:

There will be no skylights at the roof area.

(iv) Bulkheads:

There will be a common, egress stair bulkhead at the roof area above the third floor.

(iv) (a) Stair material;

The exterior walls of the stair bulkhead shall be of load bearing, steel studs with exterior grade gypsum wallboards, rigid insulation, and a two inch stucco finish at the exterior surfaces. The spaces between the steel studs shall be fitted with fiberglass, batt insulation with a minimum R value of 21. The interior surfaces shall be finished with two layers of gypsum wallboards. The stair bulkhead will have a minimum fire resistance rating of two hours.

The roof area above the stair bulkhead shall be finished with a rubberoid roofing finish on rigid insulation, with an R value of 13 and Versarock panels on corrugated steel decking. The roof will be supported by steel channel joists. The spaces between the steel joists shall be fitted with sprayed on insulation with an R value of 54. The interior surfaces shall be finished with two layers of gypsum wallboards. The assembly will have a minimum fire resistance rating of two hours.

(iv) (b) Elevator material;

There will be no elevator bulkhead at the roof area.

(iv) (c) Other;

There will be no other bulkheads at the roof area.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior metal stairs at the roof area.

(v) (b) Vertical ladders, including gooseneck;

There will be no gooseneck ladder at the roof above the third floor.

(v) (c) Railings;

There will be new, wrought iron railings adjacent to the existing parapet walls at the roof area above the third floor.

(v) (d) Hatches to roof;

There is an existing 24” x 24”, hinged, steel, hatch at the roof area above the egress stair landing at the third floor which will be removed. There will be a new stair and bulkhead enclosure to the roof.

(v) (e) Other;

There will be steel, dunnage beams at the roof area which will support the condensers for the residential units. Dunnage beams shall be painted with exterior grade, metal paint to resist rusting.

(vi) Rooftop Facilities:

There will be no common, rooftop facilities. The roof area will be an unoccupied area.

Rooftop access has been designed to comply with Section FC 504.4 (Rooftop Access) of the 2014 N.Y. City Fire Code.

(8) Fire Escapes:

The existing fire escape at the rear of the existing building will be removed and relocated to the facade of the new extension to the rear of the building. There will be a new fire escape balcony and drop ladder added at the basement level of the fire escape. The fire escape shall comply with Section 53 of the N.Y. State Multiple Dwelling Law. Location;

(i) Location (describe how attached and supported);

The fire escape will be attached to the rear facade with galvanized steel bolts and supported by galvanized steel or wrought iron angles.

(ii) Floors covered;

The fire escape will be accessible from the basement, first, second and third floors to the rear of the building.

(iii) Drop ladder;

The drop ladder shall be of wrought iron construction with wrought iron guide rails and shall be a minimum width of fifteen inches. The guard rail will be located at the basement floor level and will provide access to the areaway to the rear of the building which will be approximately at the cellar floor level.

(iv) Type;

The fire escape is an open, balcony type, fire escape with open stairs. Balconies shall be protected at open perimeter areas and at stairwells, with wrought iron guardrails with a minimum height of three feet and six inches above the level of the landings. The maximum spacing between the mullions of the railings shall be four inches on center. Stairs between landings shall be of wrought iron construction with a maximum angle of sixty degrees and wrought iron railings on both sides. Stairs shall be a minimum width of twenty inches, with stair treads a minimum width of six inches with a maximum riser height of nine inches.

(v) Materials;

The existing fire escape is of wrought iron construction. All components will be cleaned, repaired if needed and repainted with two layers of exterior grade metal paint.

(9) Yards and Courts:

The building will have one yard area to the front and one to the rear of the property.

The yard area to the front of the building is approximately five feet in depth measured from the front property line, perpendicularly, to the front facade of the building. The yard area to the rear will have a depth of approximately forty three feet, measured from the rear property line perpendicularly to the rear facade of the building. There will be an areaway approximately five feet and six inches in depth adjacent to the rear facade of the building which will be excavated to the cellar floor level.

The yard area to the front will provide access to the basement entrance via concrete steps from grade level. There will also be an existing steel access hutch and steps providing access to part of the cellar level towards the front of the building. The rear yard area at grade level will be accessible from the unit located at the basement level and will be a limited common element for that unit. The areaway will be accessible from the cellar level and will contain steel steps providing access to the rear yard level at grade.

(i) Paving;

The yard area to the rear of the building is of compacted earth and will remain as is. The areaway is of poured, reinforced concrete construction. The existing yard area to the front is paved with reinforced concrete.

(ii) Drainage;

The front and rear yard is equipped with an existing area drain connected to the building's, existing, storm drainage piping and connection to the New York City storm and sewer drainage system. There will be a new cast iron area drain at the areaway which will be connected to the building storm drainage system.

(iii) Railings;

There are existing wrought iron, guardrails at the perimeter of the area to the front of the building. The guardrails are a minimum height of three feet and six inches (3'-6") above the adjacent sidewalk grade level and has an existing hinged gate which is the same height and material of the railing. The railing is in good condition and will be cleaned and painted with two coats of exterior metal paint when construction is near completion.

The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(iv) Stairs;

There are three existing concrete stairs at the yard area to the front of the building which are in good condition and which will remain. There will be one new, steel stair within the areaway at the rear yard area providing access from grade to the cellar level.

The main entrance stair, located to the front of the building, will provide access from grade to the main entrance at the first floor. The units located at the first through third floor levels will be accessed from the main entrance area.

There are also existing, open steps which provide access to the entrance of the residential unit located at the basement level. The entrance is located a few steps below grade level and directly below the landing of the main entrance stair.

The other existing stair will provide access to the cellar level meter closets from grade level. The stairs are covered with an existing, hinged, double, steel hutch which will be secured with a padlock. The hutch will be finished with an exterior grade metal paint.

All existing stairs are in good condition and are of masonry construction.

See Section (h)(5)(iii) for additional exterior stair details.

(v) Fencing;

There will be a new, six foot high cedar, wood slat, fencing enclosing the yard area to the rear of the building. Wood slats will be finished with exterior grade, clear, wood varnish. Wood slats will be supported with extruded aluminum fence posts.

(vi) Walls;

There are no walls existing or proposed to be constructed at the yard areas.

(10) Interior Stairs:

The existing interior stairs within the building were, reviewed and approved by the N.Y. City Department of Buildings, for compliance with the 1968 New York City Building Code. The interior stairs will be installed as per the approved building plans.

(i) Number and type;

There are two, existing interior stairs within the building.

There will be one main, common, interior, egress stair which will provide access to the second and third floor levels.

There is also an existing interior stair within the residential unit, located mainly at the basement level, which will provide access between the cellar and basement floor level.

(ii) Enclosure;

The walls of the common interior, stair enclosure will be constructed of masonry with gypsum wallboard interior finish at the property lines and of steel studs with two layers of one hour rated gypsum wallboards on each side at the other walls of the enclosure. Ceiling areas, below landings shall be finished with gypsum wallboards which will be primed and painted. The stair enclosures will have a minimum fire resistance rating of two hours.

The interior stair within the residential unit will also be constructed with a two hour fire rated enclosure as noted above.

(iii) Stair construction;

The common interior stair is of wood construction, with wood treads and wood handrails.

The existing stair within the unit located at the basement level is of wood construction with wood handrails.

(iv) Stringers;

The existing stringers at the common interior stairs and the stair within the residential unit is of plywood construction.

(v) Treads;

The existing treads at the common interior stairs and the stair within the residential unit is of wood construction.

(vi) Risers;

The existing risers at the common, interior stairs and the stair within the unit are of wood construction.

(vii) Guardrails;

The open perimeter of stair landings at the common stair hallway are protected with wood guardrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings is approximately four inches (4") on center, as required by the N.Y. City Building Code.

(viii) Balustrade;

There are no balustrades at the perimeter of stair landings and stairwells.

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames;

The entrance doors to the units located at the first through third floors shall be hollow core, steel, fireproof, self-closing doors with a minimum fire rating of one and one half hours. The entrance doors to the unit located at the basement level opens directly to the outdoors and therefore are non-rated entrance doors.

All residential unit entrance doors shall be mounted on steel frames and shall be equipped with entry type locksets.

Interior doors within the units shall be wood doors set in, steel channel or wood frames. Doors within the units shall be equipped with passage type locksets.

(ii) Corridor doors and frames;

Corridor doors and frames, if any, shall be hollow core, steel, fireproof, self-closing doors with a minimum fire rating of one and one half hours, and shall be mounted on steel frames.

(iii) Stair hall doors and frames;

The stair hall entrance doors to the units shall be hollow core, steel, fireproof, self-closing doors with a minimum fire rating of one and one half hours. Stair hall doors shall be mounted on steel frames and shall be equipped with peepholes and entry type locksets.

(iv) Roof Doors, Cellar Doors and frames;

There will be no doors at the roof area.

Doors at the cellar floor level providing access to mechanical rooms and meter closets shall be one and one half hour rated, hollow core steel, fireproof self closing doors mounted on steel frames.

(12) Elevators:

There will be no elevators in the building. The following sub sections will not be applicable to this Report:

(i) Number;

(ii) Manufacturer & capacity;

(iii) Type of Operation;

(iv) Automatic (Type of controls);

(v) Floors served;

(vi) Type (hydraulic, gearless)

(vii) Doors (sliding, swinging, manual, automatic);

(viii) Location of machine rooms;

(ix) DC motor (manufacturer);

(x) AC motor generator set (manufacturer);

(xi) Other;

(13) Elevator Cabs:

There will be no elevator cabs in the building. The following sub sections will not be applicable to this Report: (i) Kind (manufacturer);

(ii) Floor (Material);

(iii) Walls (Material);

(iv) Ceiling (Material);

(v) Lighting;

(vi) Alarm, Safety system;

(i) **AUXILIARY FACILITIES**

The building is an existing building which will be undergoing an extensive gut renovation and addition to the rear from the cellar to the third floor level.

Laundry / mechanical closets are the only auxiliary facilities which will be provided for the residential units.

(1) Laundry rooms:

(i) Location and number;

There will be one laundry / mechanical closet provided within each residential unit with hookups for domestic, stackable type, electric washers and electric dryers. Laundry / mechanical closets shall be finished with gypsum wallboard walls and ceilings which will be painted. Floors shall be of ceramic tile.

The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved as necessary.

(ii) Clothes Washers;

There will be no clothes washers provided by the Sponsor.

(iii) Clothes Dryer;

There will be no clothes dryers provided by the Sponsor.

(iv) Room Ventilation;

There will be no mechanical ventilation provided for the laundry / mechanical closets. Doors will be undercut to allow for natural air intake.

(v) Dryer Ventilation

There will be no exhaust ventilation ducts provided for the electric dryers and electric hot water heaters in the laundry / mechanical closets within the residential units.

(2) Refuse Disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no garbage compactors in the building.

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required for refuse disposal. Garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Refuse disposal will be the responsibility of each individual unit's occupant. They will take their own garbage to garbage cans located to the front of the building, for temporary storage. The garbage will be removed from the cans and placed close to the curb in front of the property, by a janitorial service on the nights before scheduled garbage collection by the N.Y. City Department of Sanitation.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Mondays and Thursdays with recycling on Mondays, as per the N.Y. City Department of Sanitation website.

(3) Bike Storage:

There are no bicycle parking spaces required as there are less than ten residential units in the building. There will be no voluntary spaces provided in the building.

(4) Storage:

There will be no storage areas provided outside the residential units

(j) PLUMBING AND DRAINAGE

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. The system is a public water supply system and provides potable, drinking water to each building in the New York City.

There will be a new 3” combined domestic and sprinkler, copper, water main conveying the water into the building. Each residential unit will be supplied with cold water from a minimum ½" copper piping. Each residential unit will have its own electric, hot water heater, located in a laundry / mechanical closet within the unit.

The hot and cold water piping throughout the building shall be protected with a minimum 1” thick polyethylene, thermal insulation with a minimum R value of 2 as required by the N.Y, State Energy Conservation Construction Code.

The building relies on the normal New York City water pressure for raising water to the third floor level. There will be no water tanks or pumps in the building.

The main shut-off valve will be located at the sprinkler mechanical room at the cellar floor level towards the front of the building.

There will also be a backflow prevention devise installed in the sprinkler equipment room to keep the distribution of water between the domestic supply lines and the sprinkler supply lines separate.

(2) Fire Protection System:

There will be a wet pipe, sprinkler system installed throughout the entire building.

A separate sprinkler application will be filed with the Brooklyn Office of the New York City Department of Buildings for the installation of the sprinkler system. The required approval and permits will be secured prior to the installation of the sprinkler system.

The sprinkler system will comply with the N.Y. City Building Construction Code and will be subject to inspection by the Department of Buildings prior to the sprinkler application being signed off.

The nearest fire hydrant to the building is located approximately seventy feet easterly from the easterly, side property line, at the sidewalk on the same side of the street.

(i) Standpipes;

There will be no standpipes in the building. There will be a main 3” diameter combined sprinkler and domestic water supply to the building. There will be a 3” steel, sprinkler riser pipe located within the common egress stairwell.

(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 common cellar areas.

The heat element temperature of sprinkler heads installed shall be rated between 135 and 170 degrees Fahrenheit, as required by the N.Y. City Building Code and NFPA 13 requirements.

All sprinkler heads will be located within the building enclosure in temperature controlled spaces.

(iv) Siamese Connection;

There will be a 3” flush mounted, single inlet fire department connection and sprinkler alarm, gong, located on the front wall, at the basement level of the building facing Luquer Street. The connection shall be a minimum of 18” and a maximum of 36” above the average grade level of the site.

(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 to raise the water to the third floor level. The existing water pressure at the site is approximately 50 psi. There will be no water tanks or pumps.

(5) Sanitary Sewage System:

(i) Sewage piping (materials);

Sanitary sewage piping will be new and will be of extra hard cast iron.

(ii) Sewage pumps;

There will be no ejector or sewage pumps 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, which will lead to a house trap of extra heavy cast iron. The house trap will be located at the cellar level towards the front of building. Beyond the house trap there will be a new 6” cast iron, combined sanitary and storm drain pipe which will be connected to the existing 12" combined, public, sewer located in the roadway beneath Luquer Street.

(6) Permits required:

A plumbing permit number B08034151-I1-PL was obtained from the N.Y. City Department of Buildings for the installation of plumbing fixtures and all plumbing work within the building and on the site. The current permit was obtained on August 9th 2023 and is valid until July 13th 2024. All plumbing work is being performed and supervised by a N.Y. State Licensed Plumber.

(7) Storm Drainage System:

The storm drainage system will consist of an existing cast iron, roof drain and a new cast iron, roof drain with an adjacent overflow drain at the new roof area. There will also be a new cast iron, area drain, at the areaway to the rear of the building. There are also existing cast iron, area drains at the front and rear yard areas which will be replaced with new cast iron drains.

The run-off from the roof and yard areas will be conveyed to a new, extra heavy, cast iron, horizontal, storm drain beneath the building. The new horizontal, storm drain will be tied into a new, 6” combined site connection in the same location as the existing connection to the existing 12" combined sewer, located in the roadway beneath Luquer Street.

All on site storm drainage piping to be installed will be new.

(i) Catch Basins;

There will be no catch basins on the site.

Existing catch basins are located in the public roadway along Luquer Street and along Court Street. Existing catch basins have been designed and installed by the N.Y. City Department of Transportation. Catch basins are constructed of concrete with steel grating covers.

(ii) Yard and Roof drains;

There are cast iron area drains located at the yard areas of the building. There will be cast iron, roof drains at the roof area above third floor of the building.

(iii) Piping;

All below grade drain pipes shall be of cast iron construction.

(iv) Ejector or Sump pumps;

There will no ejector or sump pumps located in the building.

(k) HEATING (SPACE HEATING AND DOMESTIC HOT WATER)

(1) Domestic hot water shall be provided for each residential unit by electric, hot water heaters which will be located in a laundry / mechanical closet within each unit. The hot water heating system is designed to be capable of providing peak required services to each residential unit.

Heating of each residential unit will be achieved by a split, forced air, HVAC system. Heated air will be delivered to the habitable spaces (via galvanized steel ducts and wall and / or ceiling registers) from air handling units located within each laundry / mechanical closet. Heat pump / condensers will be located at the roof above the third floor level.

Air distribution ducts above conditioned spaces shall be protected at the outside perimeter of the duct with a minimum 1 ½ inch thick rigid insulation board with an approximate R value of 4.

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).

Each unit's owner will be responsible for the costs of maintenance and replacement of the domestic hot water and the space heating equipment for their own residential unit.

Original Test and Balancing Reports for the heating and cooling system, if necessary, shall be provided to the Condominium Board upon conversion.

(2) Number of boilers and description:

There will be four, new, electric, hot water heaters located in a laundry / mechanical closet within each residential unit. Hot and cold water piping and insulation is described in Section **(j) (1)** of this Report.

There will be four, new, heat pump / condenser units located at the roof above the third floor and four, new, air handlers located at the ceiling, within each laundry / mechanical closet.

There will be wall and /or ceiling mounted, registers, located in each living area and bedroom area within each residential unit and at the open accessory area at the cellar floor level.

(3) Manufacturer (model, capacity):

The electric, hot water heaters will be model numbers **PNS-40 and PNS-50 (for UNIT 1)** as manufactured by **AO SMITH.** Each heater will have a capacity of approximately 40 and 50 gallons respectively and will operate with an efficiency rating of approximately ninety (90 %) percent.

Each hot water heater has a warranty of ten years on the tank and parts.

The Sponsor reserves the right to provide hot water heaters by a different manufacturer which will be equal to or better than noted above.

The outdoor, heat pump / condensing unit for the residential units shall be model number**: OMNIGUARD 4SHP16LE160P-50,** as manufactured by **ARMSTRONG AIR**. Heat pump / condensers shall be UL approved and will have a heating capacity of approximately 53,000 BTUs per hour. Each unit will operate with an efficiency rating of approximately ninety (90 %) percent with a HSPF rating of approximately 9.5.

The outdoor units have a five year limited warranty on parts and a ten year limited warranty on the compressor.

The Sponsor reserves the right to provide heat pump / condenser units by a different manufacturer, which will be equal to or better than noted above.

The indoor air handler units will be model number **BCE5V,** as manufactured by **ARMSTRONG AIR**. Each air handler unit shall be UL approved and will have a variable speed motor for temperature and humidity control.

The indoor air handlers will have a ten year limited warranty on parts.

The Sponsor reserves the right to provide air handler units by a different manufacturer, which will be equal to or better than noted above.

(4) Manufacturer and age of burners (model, capacity):

The hot water heater elements will be new and will be as manufactured by **AO SMITH**

Heating elements for the heat pump / condenser units and the air handlers will be new and will be as manufactured by **ARMSTRONG AIR.**

The Sponsor reserves the right to provide heater elements by different manufacturers which are equal to or better than noted above.

(5) Type of Controls:

Each hot water heater and air handler unit will be equipped with thermostats by **AO SMITH** and **ARMSTRONG AIR** respectively. Thermostats will be programmable to control the temperature of the hot water heaters and the air distribution registers within each residential unit.

(6) Radiators, piping, etc.

There will be no radiators in the heating system.

(7) Fuel (supply system):

The building will only have electrically operated equipment. There will be no gas service to the building.

(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 therefore this sub section will not be applicable to this Report.

(I) <u>GAS SUPPLY</u>

(1) Type;

There will be no gas supply to the building.

(2) Meters;

There will be a minimum of four, new, electric meters provided in a meter closet at the cellar floor level towards the front of the building.

(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 mechanical system shall be provided to the Condominium Board upon conversion if applicable.

(1) Type of system,

Cooling of each residential unit will be achieved by the cooling cycle of the split, forced air, HVAC system. Cooled air will be delivered to the habitable spaces (via the same galvanized steel ducts and wall and / or ceiling registers as noted in the Heating section) and from the same air handling units located within each laundry / mechanical closet. Heat pump / condensers will be located at the roof above the third floor level.

(2) Central System (manufacturer, model, capacity):

The indoor air handler units will be model number **OMNIGUARD BCE5V,** as manufactured by **ARMSTRONG AIR**. Each air handler unit shall be UL approved and will have a variable speed motor for temperature and humidity control.

The indoor air handlers will have a ten year limited warranty on parts.

The Sponsor reserves the right to provide air handler units by a different manufacturer, which will be equal to or better than noted above.

(3) Cooling towers or Condensers (number, location, description):

The outdoor, heat pump / condensing unit for the residential units shall be model number**: OMNIGUARD 4SHP16LE160P-50,** as manufactured by **ARMSTRONG AIR**. Heat pump / condensers shall be UL approved and will have a cooling capacity of approximately 56,000 BTUs per hour. Each unit will operate with an efficiency rating of approximately ninety (90 %) percent with a SEER rating of approximately 16.0.

The outdoor units have a five year limited warranty on parts and a ten year limited warranty on the compressor.

The Sponsor reserves the right to provide heat pump / condenser units by a different manufacturer, which will be equal to or better than noted above.

All exterior metals including fasteners at the roof areas shall be corrosion resistant metals.

Rooftop piping shall be insulated with a minimum ½" thick, fiberglass, exterior pipe insulation as manufactured by Owens Corning.

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no individual air conditioning units or AC sleeves provided at the exterior of the building.

(n) VENTILATION

The spaces that require mechanical ventilation within the units will be the interior bathrooms and toilet rooms. These spaces within the residential units will be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation for the bathrooms and toilet rooms is 50 cfm as required by the New York City Building Code.

Kitchen areas will also be provided with exhaust fans with an exhaust rate of approximately 100 cfm. Ventilation equipment will be by Air King and will have a noise emission rating of approximately 0.8 sones.

The Sponsor reserves the right to provide ventilation equipment by a different manufacturer than noted above.

The cellar area will have operable sliding doors to the rear of the building and hinged, steel hatch doors at the yard area to the front of the building which will provide natural ventilation. The approximate area of the ventilation openings will be forty square feet for the sliding doors and twelve square feet for the hatch doors.

(o) ELECTRICAL SYSTEM

(1) Service from main service switchgear;

The existing electrical service to the building will be upgraded as necessary and brought in at the cellar level by the Consolidated Edison Co. The service supplied to the building, will be a 400 Amp, 120 / 208 Volt, single phase, copper, three wire, service.

The electrical service will be transported throughout the building via, new, insulated, copper, three wire cables.

(2) Service to the individual units;

There will be a separate meter for each residential unit. There will be 100 Amps of service to each residential unit. Each unit will be wired with three wire, copper wiring protected with PVC insulation.

(3) Compartment switchgear;

The sectional meter boards and transformers supplying power to the meter boards will be located at the cellar 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 air conditioners, dishwashers and electric dryers.

(5) Adequacy;

The electrical system will be designed by a NY State licensed Engineer and installed to comply with the New York City Electrical Code and the N.Y. City Building Code. The electrical system will be inspected and eventually signed off by the N.Y. City Department of Building's (Electrical Division) prior to the issuance of a Certificate of Occupancy for the building.

(i) Service;

There will be approximately ten circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, dishwashers and electric washing machines and dryers. The circuit breakers will be designed to comply with the N.Y. City Electrical Code and will be adequate for each residential unit.

There will be no emergency generators provided in the building.

(ii) Lighting and Fixtures;

There will be at least one centrally located, overhead, ceiling mounted, LED lighting fixture, provided in each bedroom, kitchen and bathroom within each residential unit. There will also an overhead fixture provided in the hallways within the units. Each lighting fixture shall be capable of providing the LED equivalent of at least 60 watts of incandescent illumination.

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, toilet room etc. within each unit. Convenience outlets and appliance 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.

All outlets installed shall be UL rated, grounded outlets.

(p) INTERCOMMUNICATION SYSTEM

The residential units shall be equipped with an intercom system connected with the main entrance at the first floor level. The intercom will permit voice contact between the main entrance to each unit and the main entrance door to the building. The intercom system shall be equipped with an electronic door release for opening the main, entrance door at the first floor level from within the units. The unit located at the basement floor will have a voice contact, intercom system without the electronic door release.

The intercom shall be Model LAF 3, as manufactured by Aiphone.

Aiphone warrants its products for a minimum period of two years after delivery.

There will be no other security systems.

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 than noted above.

(q) PUBLIC AREA LIGHTING

Lighting fixtures will be provided in the common stairway and hallway. Fixtures shall be capable of providing the equivalent illumination of at least ten (10) watts per twenty five (25) square feet of floor area of incandescent illumination. Each lighting fixture shall be provided with one or more lights, of a total of not less than the equivalent of sixty (60) watts of incandescent illumination.

Wall mounted, lighting fixtures shall be provided adjacent to the main entrance at the front of the building; providing an equivalent, aggregate illumination of two hundred (200) watts of incandescent illumination.

There shall also provided, at the rear facade of the building, an LED light fixture equivalent to at least forty (40) watts incandescent illumination.

The ceiling mounted, lighting fixtures for the interior public areas shall be Avalon, flush mounted, model number P3688 as manufactured by Progress Lighting.

The lighting fixtures at the exterior entrance shall be from The Ledge Collection, wall sconces, model number WS-W1408-AL as manufactured by Modern Forms.

The lighting fixture at the rear facade shall be from the Reef Collection, model number 1950 HE-GU24, as manufactured by Hinkley Lighting.

The Sponsor reserves the right to provide fixtures by different manufacturers than noted above.

The public area lighting 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 comply with the New York City Electrical Code.

(r) GARAGES AND PARKING AREAS

There will be no garages or parking areas in or at the exterior of the building. The following 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 in or at the exterior of the building. The following 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 recreational facilities in or at the exterior of the building. The following 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 and a Certificate of Occupancy shall be obtained by the Sponsor.

The following permits shall be obtained by the Sponsor's contractor prior to commencement of the renovation:

PERMIT TYPE	AGENCY
Fence	Department of Building
Sidewalk Shed	Department of Building
Foundation	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Electrical	Department of Buildings
Sprinkler	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 Sprinkler and Fire Alarm Gong System, Mechanical Equipment and NFPA 80 (Fire Doors).

(v) VIOLATIONS

There are currently no open violations listed for the property as per the N.Y. City Department of Buildings, Building Information System website.

The Sponsor will correct any outstanding and future violations on the property, prior to obtaining a Certificate of Occupancy and prior to closing on the units.

(w) UNIT INFORMATION

The condominium will consist of four residential units.

The residential units will be located at the basement, first, second and third floor levels. Most of the cellar floor level will be used in conjunction with the unit located at the basement floor level.

There will also be sprinkler equipment and meter closets located at the cellar floor level.

Unit 1 will consist of:

Two (2) bedrooms, two and one half (2½) bathrooms, living / dining area, kitchen, accessory cellar area and laundry / mechanical closet;

Unit 2 will consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen and laundry / mechanical closet;

Unit 3 will consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen and laundry / mechanical closet;

Unit 4 will consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen and laundry / mechanical closet;

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 approximate square footage for each unit is as follows:

Unit 1	Cellar Floor	= 923 square feet
	Basement Floor	= 1,057 square feet
		= 1,980 square feet
Unit 2	First Floor	= 926 square feet
Unit 3	Second Floor	= 943 square feet
Unit 4	Third Floor	= 949 square feet

(1) **UNIT FINISHES;**

The residential units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units shall be of 2 ¼ inch wide by ¾" thick, select grade oak, hardwood strip flooring on a minimum ½" thick plywood underlayment. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

Wood floors will not be manufactured wood flooring.

The walls and ceilings of residential units shall be of gypsum wallboard which will be primed and painted with one primer coat and one finished coat of paint. Unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

The floors of the residential kitchens shall also be of 2 ¼ inch wide by ¾" thick, select grade oak, hardwood strip, finish on a minimum ½" thick plywood underlayment and gypsum wallboard walls and ceilings. The floor at the cellar level shall be finished with 9.45 x 37.87 inch, matte finish, porcelain tile as manufactured by La Fabbrica Ava.

Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower or a shower. Bathrooms shall have 23.62 x 47.24 inch, matte finish, porcelain tile floors as manufactured by Evolution. Tile around the bathtubs and showers shall also be porcelain tiles and shall extend to the ceiling. All other bathroom walls shall be of porcelain tile base and moisture resistant, gypsum wallboard.

The Sponsor reserves the right to provide hardwood flooring of a different species and grade than noted above and tile flooring by different manufacturers than noted above.

When completed, the following interior finishes will be installed.

	Location	Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Wood	Wood	GWB. Painted	GWB. Painted
2.	Bedroom	Wood	Wood	GWB Painted	GWB. Painted
3.	Kitchen	Wood	Wood	GWB Painted	GWB. Painted
4.	Open Cellar Area	Porcelain Tile	Wood	GWB Painted	GWB. Painted
5.	Bathroom	Porcelain Tile	Porcelain Tile	Tile/GWB Painted	GWB. Painted
6.	Laundry / Mech Cl.	Porcelain Tile	Porcelain Tile	GWB. Painted	GWB. Painted

Note:
GWB : Denotes Gypsum Wallboard
Mas : Denotes Masonry
Mech : Denotes Mechanical
Cl. : Denotes Closet
N.A. : Denotes not applicable

(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 syphon 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.

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than noted above.

D. Showers: shall be; Studio Suite model, with acrylic base and showerhead and trim model; Studio TU105501 as manufactured by American Standard.

(3) **KITCHEN EQUIPMENT SCHEDULE;**

The kitchen areas will generally be provided with the following fixtures, appliances and equipment:

1. Formica or wood laminate on MDF core, countertops. Wall and base cabinets shall be constructed of ¾ inch plywood with a natural finish with doors constructed of MDF core with a white, oak veneer finish.
2. Stainless steel sink by Crane, with faucet by Delta model number 400.
3. One 30 inch, five burner electric range by Frigidare, model # FCRE3052AS.
4. One electric refrigerator by Frigidare, model # FFHT1621TS.
5. One 24 inch, electric dishwasher by Frigidare, model # FFCD2413US.

Note:

Additional kitchen appliances and fixtures including additional ranges will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures 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.	Meter Room	Concrete	Masonry	Mas / GWB	GWB
2.	Common Hallway	Wood	Wood/GWB	GWB Painted	GWB Painted
3.	Common Stairwell	Wood	Wood/GWB	GWB Painted	GWB Painted
4.	Sprinkler Mech. Room	Concrete	Masonry/GWB	GWB Painted	GWB Painted

Note
GWB : Denotes Gypsum Wallboard
Mas. : Denotes Masonry
Mech. : Denotes Mechanical
N.A. : Denotes not applicable

(y) SAFETY AND WARNING DEVICES

There will also be a wet pipe sprinkler system throughout the building, with fire alarm gong at the front of the building.

The fire alarm gong will be located at the front facade of the building adjacent to the entrance and will be part of the sprinkler system. There is no fire alarm central station required in this type of system nor is one required for this building.

There will be hardwired, combined smoke and carbon monoxide detector provided within each bedroom and at a maximum distance of fifteen feet from any bedroom door within each residential unit as required by the N.Y. City Building Code.

The combined smoke and carbon monoxide detector shall be BRK Brands model number SC9120B as manufactured by BRK Brands Inc.

The Sponsor reserves the right to provide combined, smoke and carbon monoxide detectors by a different manufacturer which are equal to or better than noted above.

(z) ADDITIONAL INFORMATION REQUIRED

To the best of my knowledge, belief and professional judgment these plans and specifications will be in compliance with the Energy Conservation Construction Code of New York State and The New York City Energy Conservation Code.

(bb) FURTHER DEVELOPMENT

There will be no further development of the property. The Sponsor will not construct any additional units or phases after completion of the structure which will be 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 insulating or fireproofing materials or any other materials in the renovation of the building.

An Asbestos Report (ACP5 Form) was filed with the N.Y. City Department of Buildings by a Certified Asbestos Investigator, as is required for all Alteration Applications prior to the building plans being approved by the Department of Buildings.

The Asbestos Report indicates that there were no asbestos containing materials present at the existing portions of the building prior to the start of the renovation.

(dd) LEAD-BASED PAINT

There are no lead-based paints specified nor will there be lead-based paint products used in the construction and finishing of the building.

The building will undergo a complete gut renovation and all trims, frames, lintels, panels or any other elements that were painted surfaces, will be removed. All new painted finishes shall be non, lead-based paint finishes.

(ee) CORROSIVE MATERIALS

There are no “Sulfide” or other known corrosive drywall materials specified or scheduled to be used in the construction of the building.

(ff) TENANT PROTECTION PLAN

The building will not be occupied by tenants and / or unit owners prior to the Sponsor obtaining a signoff and Certificate of Occupancy from the Department of Buildings.

(gg) **DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT**

The following documents, if 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;

NDL Manufacturer's Roof Warranty;

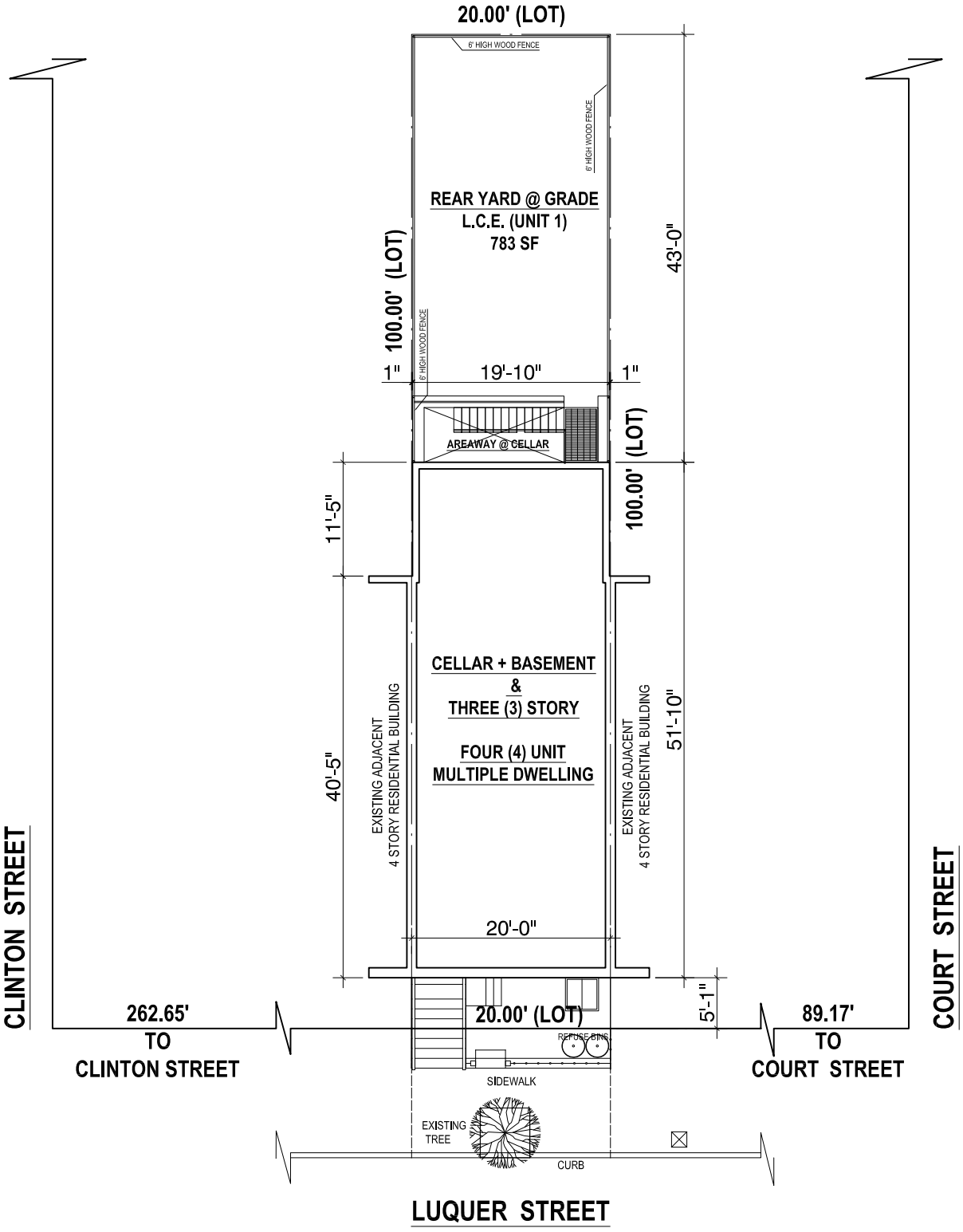
Major Equipment Start-Up Sheets;

Control System As-Built;

Original Test and Balance Report for HVAC System;

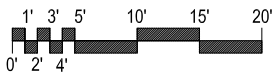
Indoor Air Quality Report;

Final As-Built Drawings as maintained during construction, ie, Structural, Mechanical, Electrical, Plumbing, Shop Drawings.



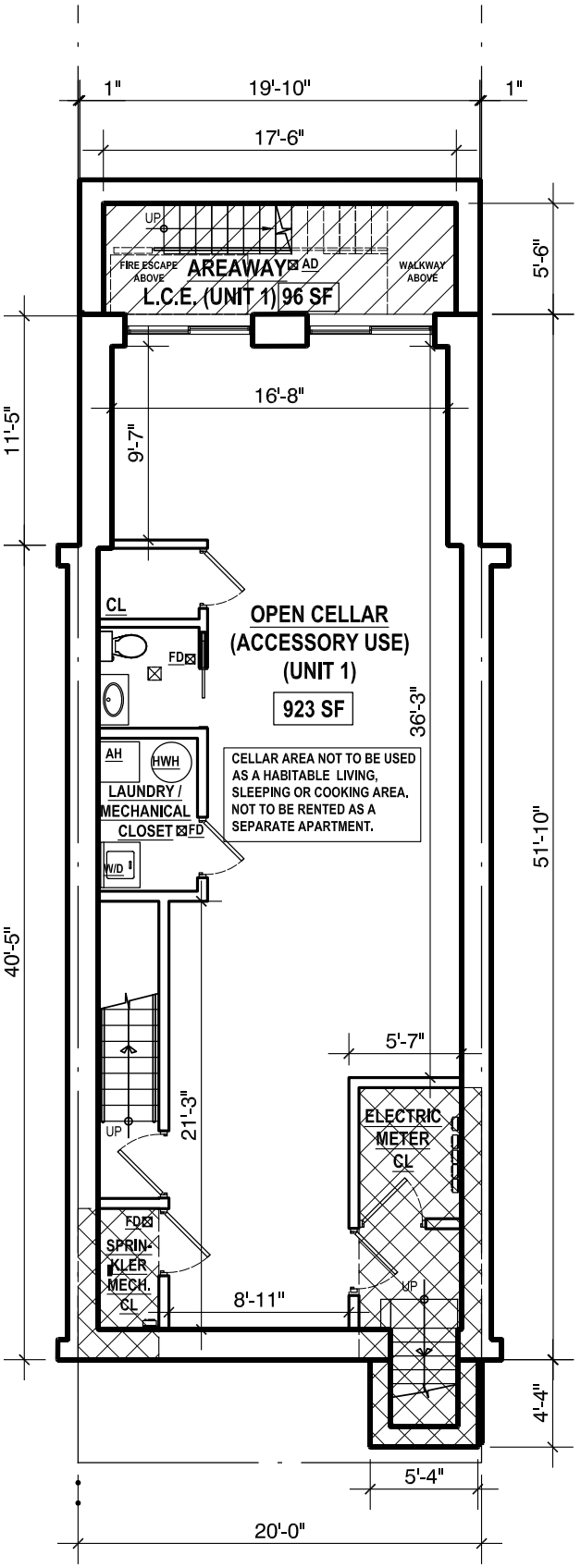
PLOT PLAN

171 LUQUER STREET, BROOKLYN NY 11231



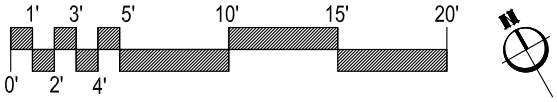
BLOCK : 374
LOT : 38

(REVISED: 10-06-2023)



CELLAR FLOOR PLAN

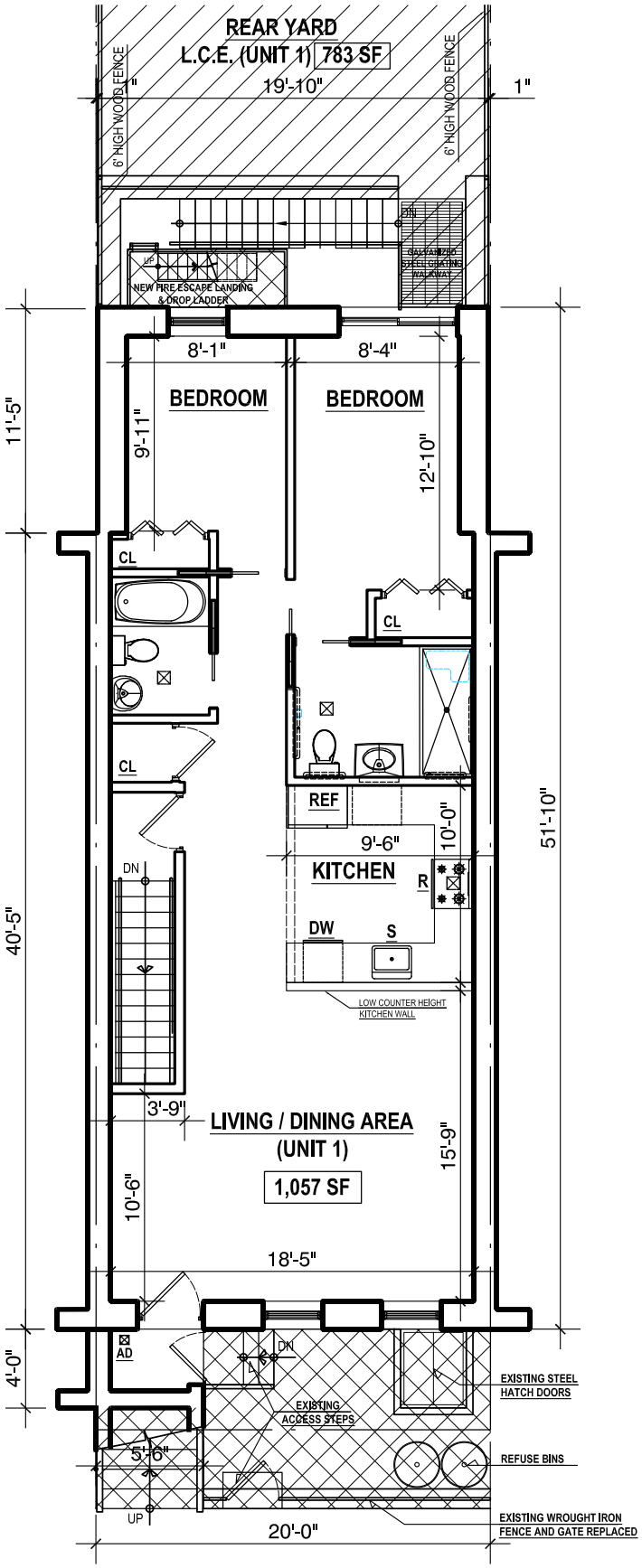
171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)

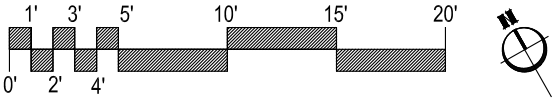
LEGEND

	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)
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



BASEMENT FLOOR PLAN

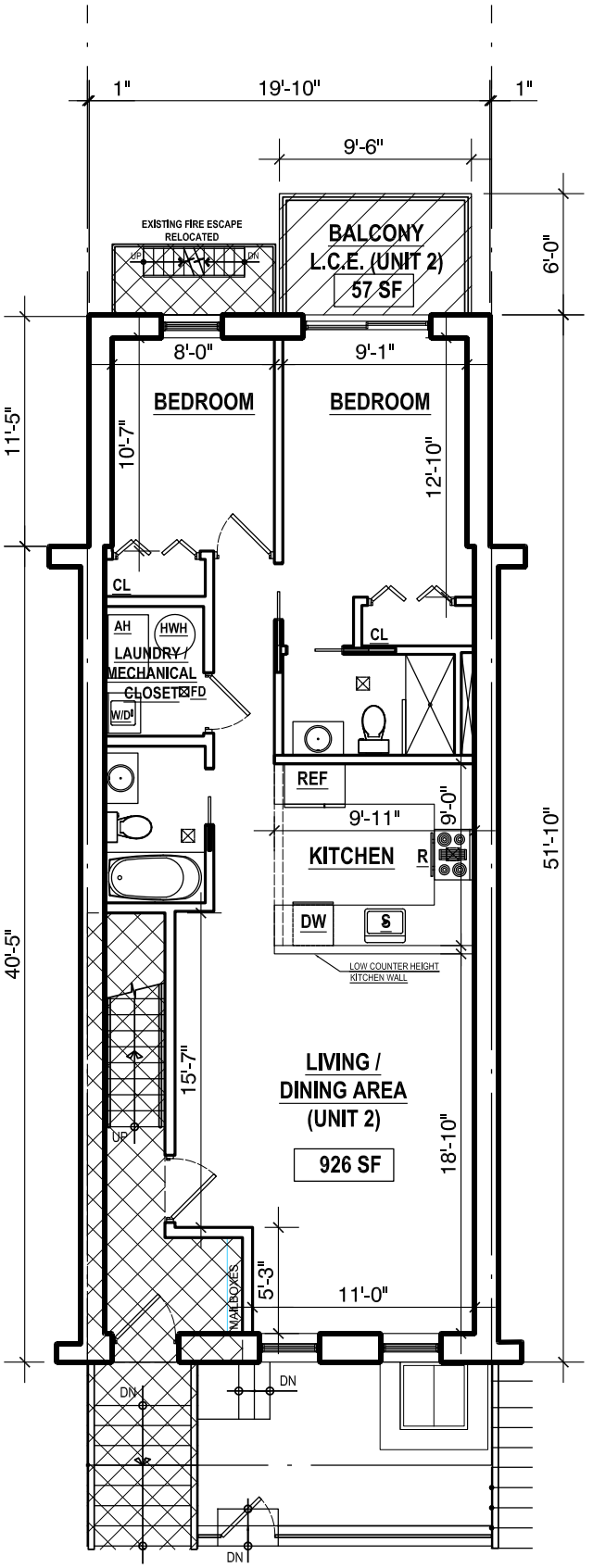
171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)

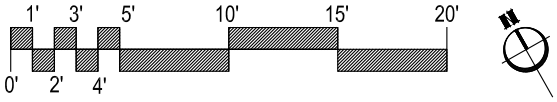
LEGEND

	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)
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



FIRST FLOOR PLAN

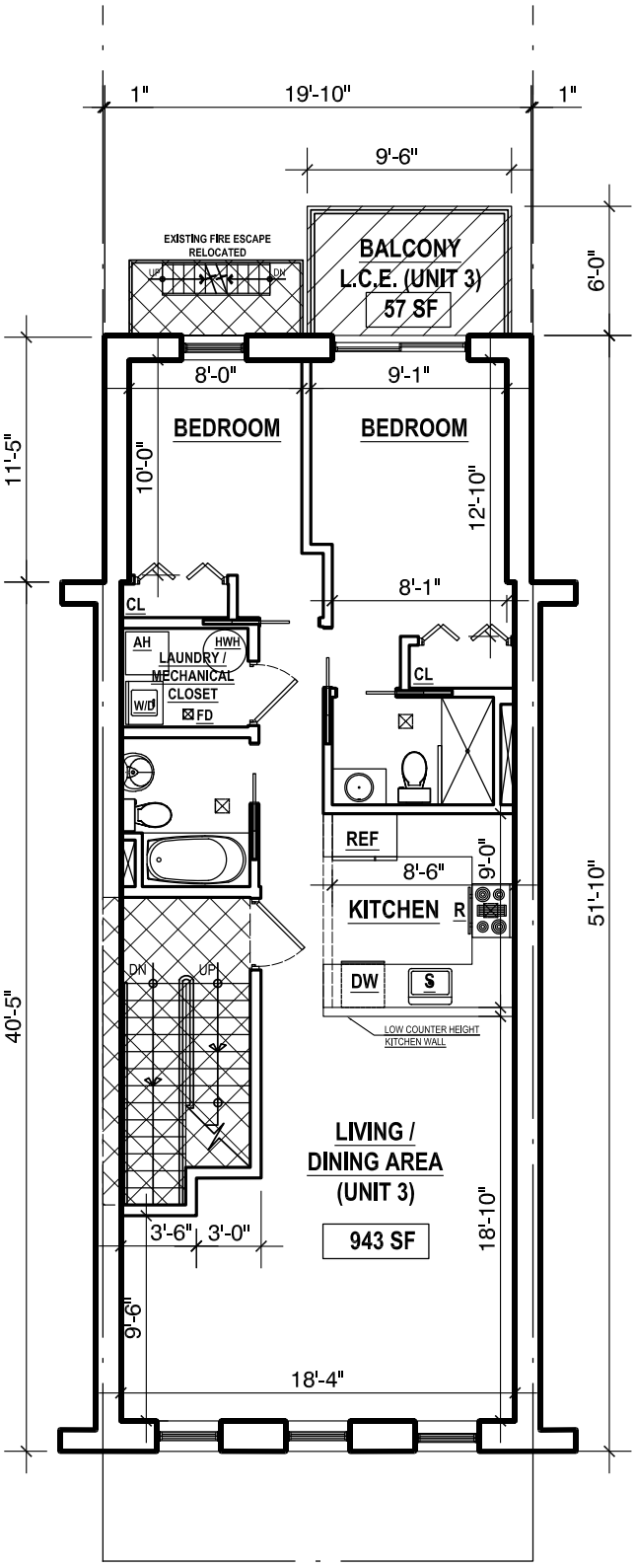
171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED : 10-06-2023)

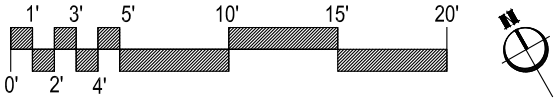
LEGEND

	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)
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

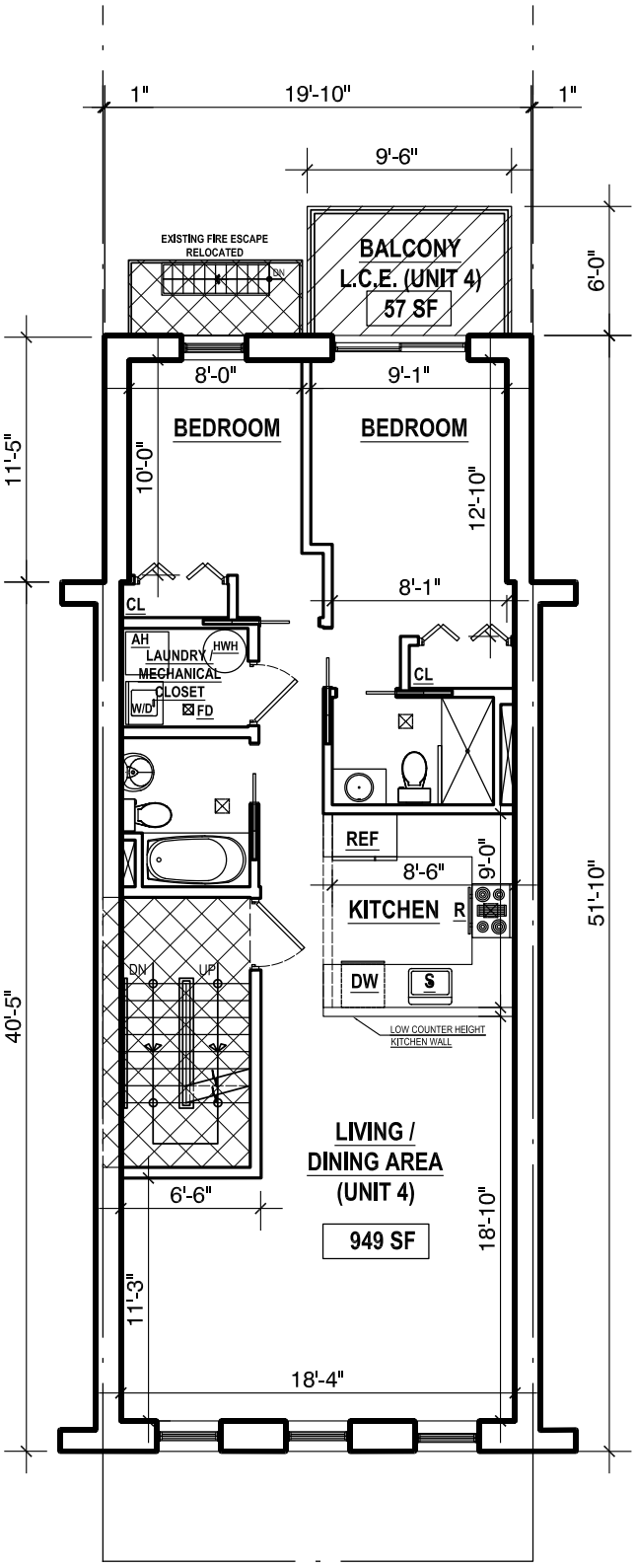
171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)

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)
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

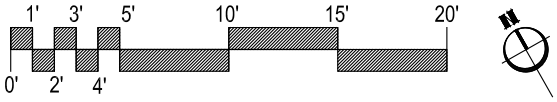


LEGEND

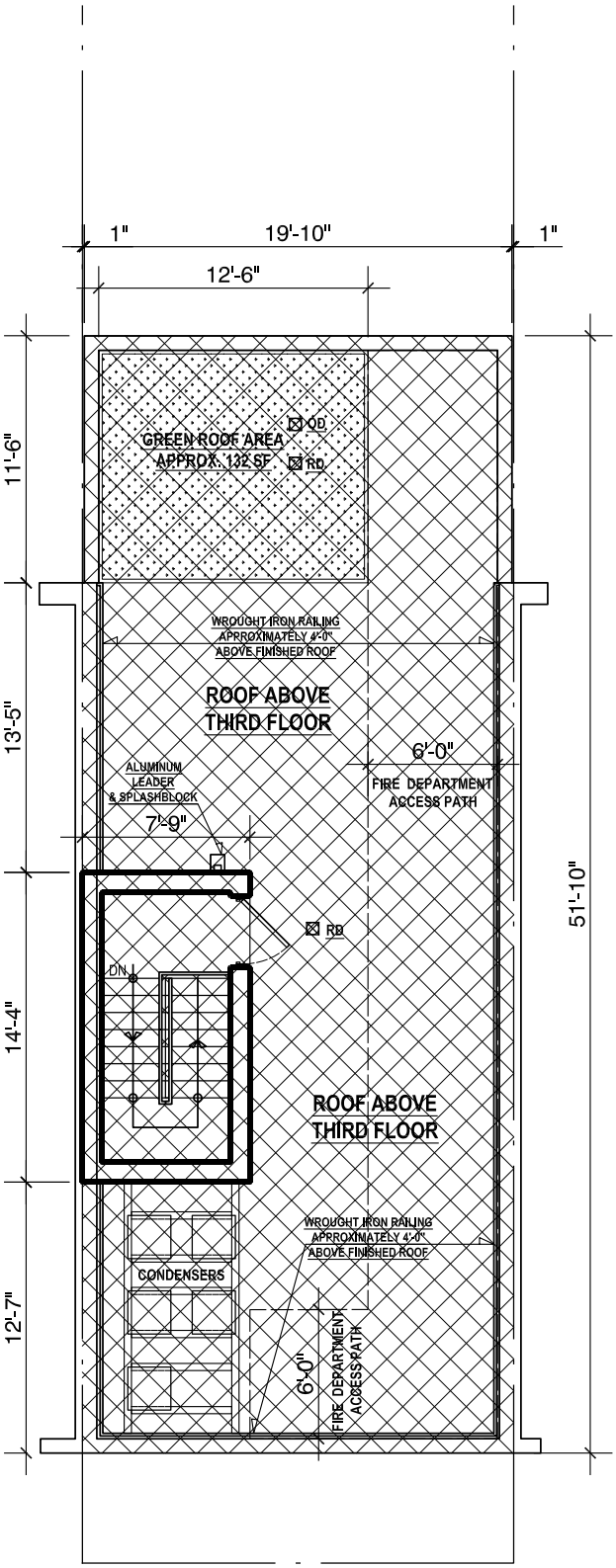
	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
R	DENOTES COOKING RANGE
S	DENOTES KITCHEN SINK
DW	DENOTES UNDERCOUNTER DISHWASHER LOCATION
W/D	DENOTES WASHER, DRYER LOCATION (WASHER & DRYER NOT PROVIDED)
HWH	DENOTES HOT WATER HEATER
AH	DENOTES AIR HANDLER
FD	DENOTES FLOOR DRAIN
RD	DENOTES ROOF DRAIN
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN

THIRD FLOOR PLAN

171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)



LEGEND

	DENOTES COMMON AREAS
	L.C.E. : DENOTES LIMITED COMMON ELEMENTS
CL	DENOTES CLOSET
MECH	DENOTES MECHANICAL
REF	DENOTES REFRIGERATOR
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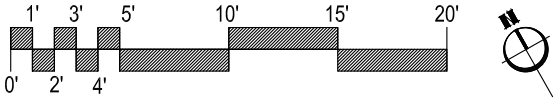
OD	DENOTES OVERFLOW ROOF DRAIN
AD	DENOTES AREA DRAIN

BULKHEAD & ROOF PLAN

171 LUQUER STREET, BROOKLYN, NY 11231



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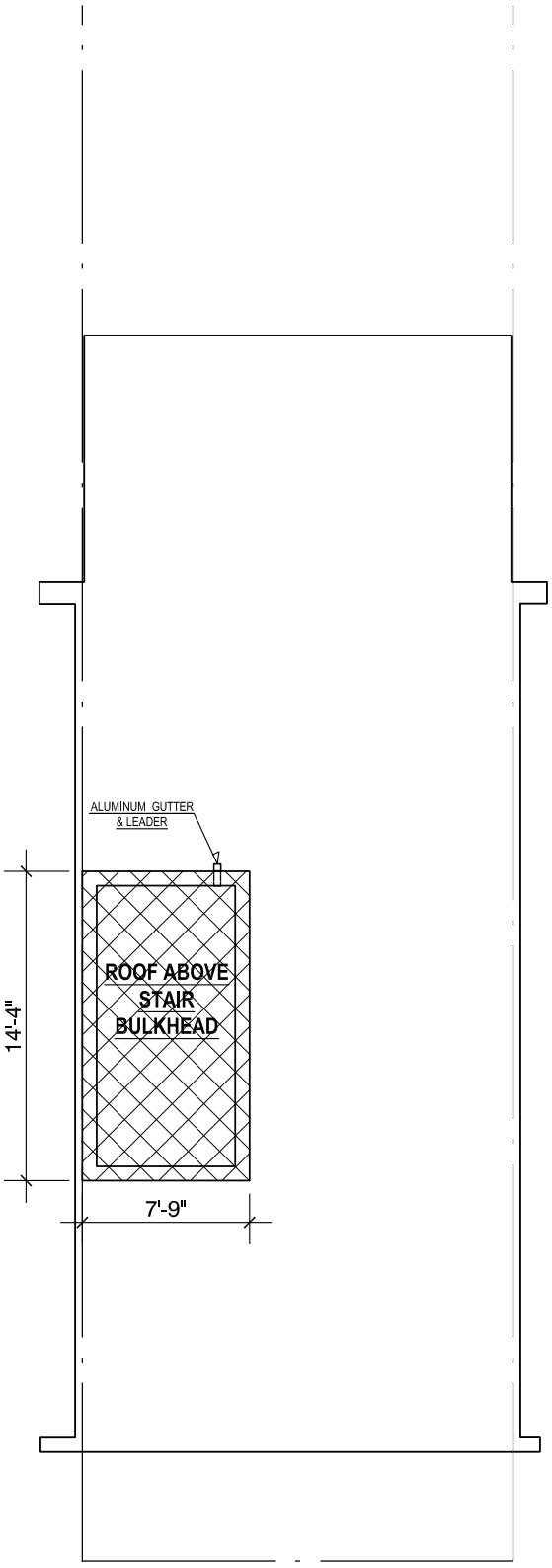
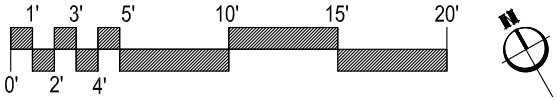


BULKHEAD ROOF PLAN

171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)

LEGEND

	DENOTES COMMON AREAS
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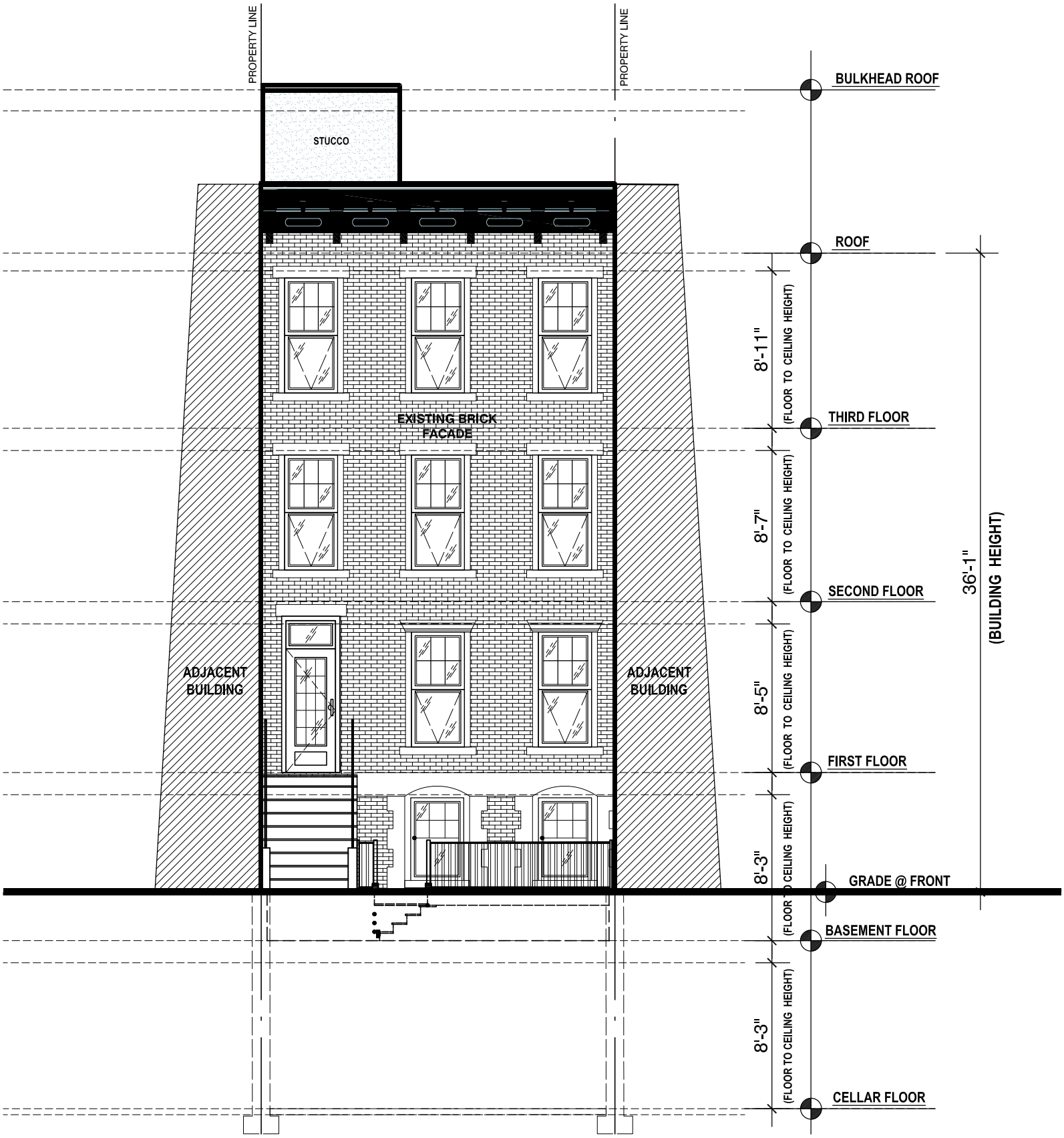
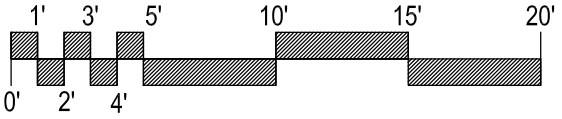


FRONT ELEVATION

171 LUQUER STREET, BROOKLYN, NY 11231



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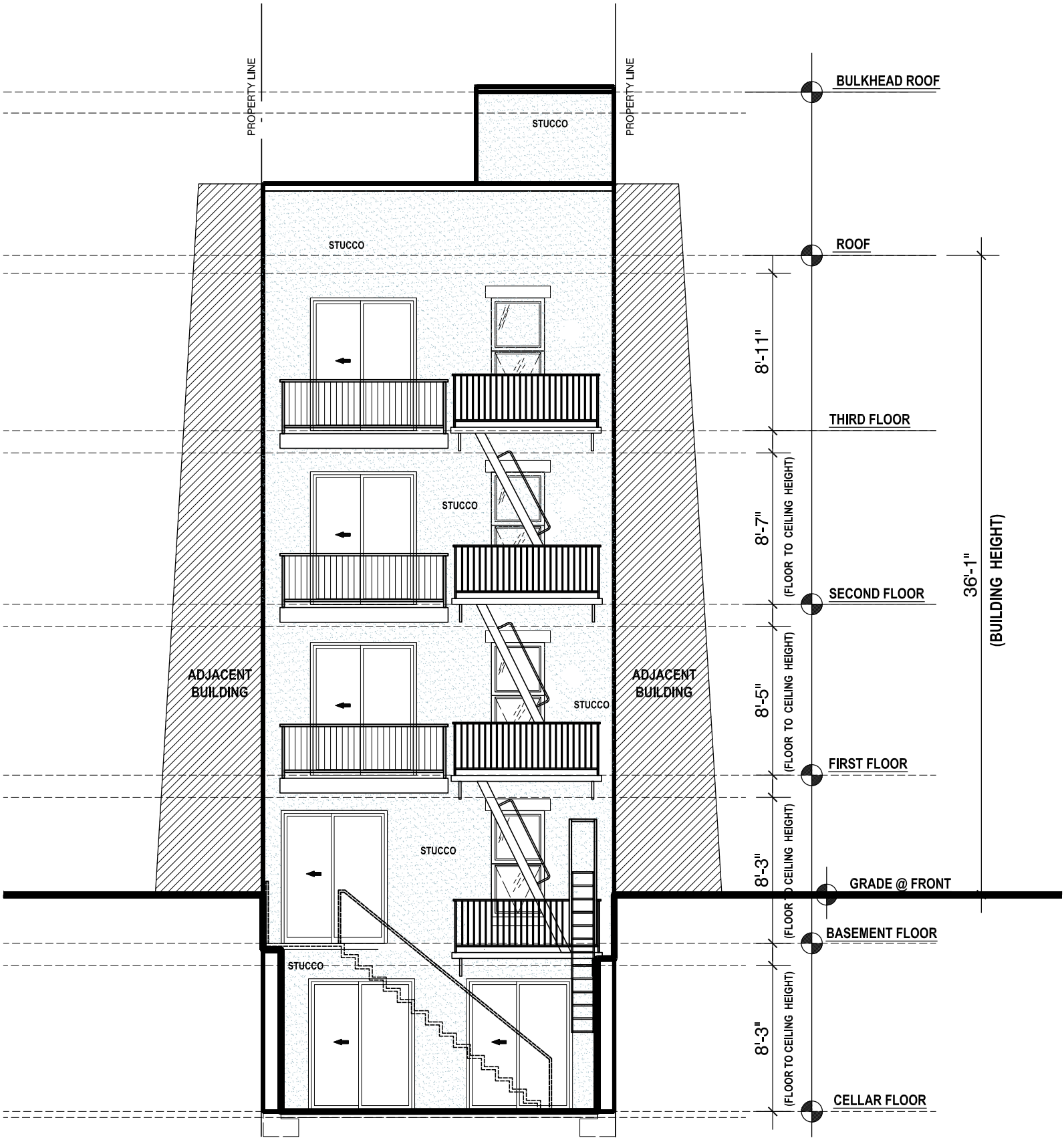
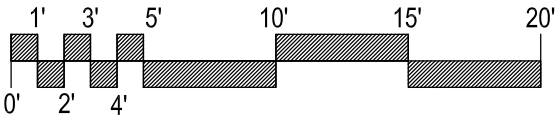


REAR ELEVATION

171 LUQUER STREET, BROOKLYN, NY 11231



(REVISED: 10-06-2023)

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

No. 1

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

A LOCAL LAW

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

Be it enacted by the Council as follows:

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

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

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

§4. Local law number 50 for the year 1972 is hereby REPEALED.

§5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:

Article 14

Lead Poisoning Prevention and Control

§27-2056.1 Statement of Findings and Purposes.

§27-2056.2 Definitions.

§27-2056.3 Owners' Responsibility to Remediate.

§27-2056.4 Owners' Responsibility to Notify Occupants and Investigate.

§27-2056.5 Presumption.

§27-2056.6 Violation in a Dwelling Unit.

§27-2056.7 Audit and Inspection by Department following Commissioner's order to abate.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover.

§27-2056.9 Department Inspections.

§27-2056.10 Department Implementation and Enforcement.

§27-2056.11 Work Practices.

§27-2056.12 Reporting.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene.

§27-2056.14 Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.

§27-2056.15 Waiver of Benefit Void.

§27-2056.16 Exemption for Emergency Conditions.

§27-2056.17 Record Keeping Requirements.

§27-2056.18 Application of this article based on age of child.

§27-2056.1 Statement of findings and purposes. The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in

dwellings that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, "Identification of Dangerous Levels of Lead; Final Rule" Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§27-2056.2 Definitions. Whenever used in this article the following terms shall have the following meanings:

(1) "Chewable surface" shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) "Common area" shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) "Lead-based paint hazard" shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) "Lead-based paint" shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) "Lead-contaminated dust" shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) "Lead-contaminated dust clearance test" shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

(10) "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) "Rule" or "rules" shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) "Turnover" shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) "Underlying defect" shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) "Window" shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§27-2056.3 Owners' Responsibility to Remediate. The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated

dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§27-2056.4. Owners' Responsibility to Notify Occupants and to Investigate. a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

(i) by first class mail, addressed to the occupant of the dwelling unit;

(ii) by hand delivery to the occupant of the dwelling unit;

(iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or

(iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§27-2056.5 Presumption. a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§27-2056.6 Violation in a Dwelling Unit. The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§27-2056.7 Audit and inspection by department following commissioner's order to abate. a. When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;

(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;

(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

§27-2056.9 Department Inspections. a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable

age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§27-2056.10 Department Implementation and Enforcement. a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§27-2056.11 Work Practices.

a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-

contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm , and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§27-2056.12 Reporting. a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene. The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§27-2056.14 Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development. Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§27-2056.15 Waiver of Benefit Void. a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§27-2056.16 Exemption for Emergency Conditions. For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§27-2056.17 Record Keeping Requirements. The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§27-2056.18 Application of this article based on age of child. For the purposes of this article, the term "applicable age" shall mean "under seven years of age" for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine "applicable age" for the purposes of some or all of the provisions of this article to mean "under six years of age," but no lower.

§6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision l to read as follows:

(l)(1) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making

such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

(i) That the condition which constitutes the violation did not exist at the time the violation was placed; or

(ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or

(iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or

(iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in

defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article

§7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

§17-179 Department Screening, Diagnosis, and Treatment. a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§17-180 Training of Department Personnel. The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§17-181 Lead-based paint; dry scraping and dry sanding prohibited. The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§17-185 Inspection by the Department of Unsafe Work Practices. The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§17-186 Lead poisoning prevention in children. a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or

guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request.

§8. Subdivision 1 of subsection a of section § 11-243 of the administrative code of the city of New York is amended to read as follows:

1. "Alteration" and "improvement": a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, [except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and] provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

"Alteration" and "improvement" shall also mean "an abatement" of lead-based paint hazards, as defined in part 745 of title forty of the code of federal regulations or any successor regulations, and shall include an "inspection" and "risk assessment" for lead-based paint hazards, as defined in such part, in a dwelling unit occupied by a child of applicable age, as established in accordance with section 27-2056.18 of this code, regardless of whether a child is or has been lead poisoned but shall not include any work performed to comply with a notice of violation issued for a violation of article fourteen of subchapter two of chapter .

§9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9
Lead-Based Paint in Day Care Facilities
Subchapter 1
Definitions

§17-900 Definitions.

Subchapter 2
Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption.
§17-911 Remediation.
§17-912 Department Rules.
§17-913 Annual Inspection.

Subchapter 1
Definitions

§17-900 Definitions. For the purpose of this chapter the following terms shall have the following meanings:

1. " Chewable surface" shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. "Chewable surface" shall also mean any other type of interior edge or protrusion in a day care facility, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. "Day care facility" shall mean any facility used to provide day care service.

3. "Day care service" shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or

plaster that has been subject to moisture or disturbance.

5. "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. "Lead-based paint" shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. "Lead-based paint hazard" shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. "Lead-contaminated dust" shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. "Operator of such day care facility" shall mean any person who provides day care service and the owner of the premises where such day care facility is located. "Person" shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption. a. All paint or similar surface-coating material on the interior of any day care facility in a structure erected prior to January 1, 1978, shall be presumed to be lead-based paint.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§17-911 Remediation. a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.

c. Any equipment that is painted shall be painted with lead-free paint.

d. Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.

e. When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.

§17-912 Department rules. The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

§17-913 Annual Survey. The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department.

§10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 15, 2003, disapproved by the Mayor on December 17, 2003 and repassed by the Council Members on February 4, 2004 and said law is adopted notwithstanding the objection of the Mayor.

VICTOR L. ROBLES, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 2004, Council Int. No. 101-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 15, 2003: 44 for, 5 against, 1 not voting.

Was disapproved by the Mayor on December 17, 2003.

Was returned to the City Clerk on December 19, 2003.

Was reconsidered by the Council on February 4, 2004 and received the following vote of the Council members at a meeting of the Council on February 4, 2004: 44 for, 5 against, 1 not voting.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel

New York Real Property Law, Article 9-B.

§339-kk. Rents.

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

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

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

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

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

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

DECLARATION

Establishing a Plan for Condominium Ownership of Premises located at 171 Luquer Street, Brooklyn, New York 11231, County of Kings, City and State of New York, Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: THE 171 LUQUER STREET CONDOMINIUM

DECLARANT: 171 LUQUER LLC
295 Columbia Street, #9
Brooklyn, NY 11231

DATE OF DECLARATION:

The land affected by the within instrument lies in Block 374 on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York.

F/k/a:	**Lot(s) 38**
N/k/a:	**Lot(s)**

Record and Return:

THE LAW OFFICE OF CLAUDIA V. MURDOCH, P.C.
Attorney for Declarant
117 Seventh Avenue
Brooklyn, New York 11215

DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP of Premises to be known as THE 171 LUQUER STREET CONDOMINIUM, located at 171 Luquer Street, Brooklyn, New York, Borough of Brooklyn, County of Kings, City and State of New York, pursuant to Article 9B of the Real Property Law of the State of New York.

171 LUQUER LLC, located at 295 Columbia Street, #9, Brooklyn, New York 11231, hereinafter referred to as "the Declarant," does hereby declare:

1. SUBMISSION OF PROPERTY: Declarant hereby submits the land hereinafter described, together with the Buildings and improvements thereon erected ("the Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York.

2. AREA AND LOCATION OF LAND: The land ("Land") consists of all that certain tract, plot, piece, and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Declarant in fee simple absolute.

3. NAME OF CONDOMINIUM: The Condominium shall be known as THE 171 LUQUER STREET CONDOMINIUM.

4. DESCRIPTION OF THE BUILDING: The condominium consists of a single building composed of a cellar and four stories, and containing, in aggregate, four (4) residential units. The legal occupancy will match the proposed occupancy hereunder. The building complies with IIB construction requirements as per table 3-4 of the 1968 New York City Building Construction Code.

5. THE UNITS: SCHEDULE B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access (if any) and the percentage of interest in the Common Elements. The location of each Unit and any Limited Common Elements appurtenant thereto is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

6. FLOOR PLANS: As shown on the Floor Plans of the Buildings (the "Floor Plans"), certified by Henry Radusky, R.A., and intended to be filed in the Kings County Office of the register of the City of New York simultaneously with the recording of this Declaration, the dimensions indicated are approximate, and are incorporated by reference as if fully set forth herein.

7. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, to the extent applicable, the following:

a) General Common Elements:

(i) The land on which the Buildings are physically erected, including any open areas appurtenant to the building(s);

(ii) All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and installations beyond the exterior face of the Buildings; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the exposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roofs (excluding terraces), fire escapes (if any), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; storage and utility areas located beyond the unexposed face of the dry walls and the entrances to and exits from the Buildings;

(iii) All installations outside the Units for services such as gas, power, light, telephone and water;

(iv) All sewer pipes and drainage pipes outside units, including all drains and dry well on the land and those located outside the building footprint;

(v) The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans. To the extent the “as-built” condition of the building differs from such Floor Plans, both said Floor Plans and this Declaration shall be deemed amended to conform to said as-built condition;

(vi) All other apparatus and installations existing in the Buildings for common use or necessary or convenient to the existence, maintenance or safety of the Buildings.

(vii) The foregoing are included only to the extent they are present in this building. If any of the foregoing items are hereinafter designated as limited common elements, such designation shall take priority over the listing set forth herein.

b) Limited Common Elements:

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by that unit owner. Each Unit Owner, his guests, invitees, lessees and residents of his Unit shall have the exclusive right to use and possession of the limited common elements of the building indicated in the attached Exhibit B, subject to the following:

Each Unit Owner shall be solely and only responsible for repair and maintenance of the Limited Common Element appurtenant to his/her Unit including, but not limited to, painting, cleaning, patching, and surface repair. In the event a Unit Owner fails to properly maintain their Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

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

9. USE OF UNITS: Any residential Unit may be used for private residential use, or for any home occupation use permitted under applicable zoning laws and ordinances,

building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Declarant may, without the permission of the Board of Managers, retain ownership of one or more Units for use as rental units, models, sales and/or offices, in connection with the sale or rental of the Units.

10. ENCROACHMENTS: If any portion of the Common Elements encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachments and for the maintenance of the same so long as the Buildings shall stand.

11. EASEMENTS:

a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right to access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

b) The Declarant and its designees, successors, assigns, invitees, licensees, contractors, employees, and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iii) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

c) The Declarant and its designees, successors, assigns, invitees, licensees, contractors, employees, and tenants (i) shall have an easement to erect, maintain, repair

and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in the access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Declarant's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements, and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Declarant or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right to access of any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right to access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

d) The user of any easement granted by Sub-paragraphs "b" and "c" of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. PERSON TO RECEIVE SERVICE: For the period during which Declarant is in control of the Board of Managers, 171 Luquer LLC, 295 Columbia Street, #9, Brooklyn, New York, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Declarant relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 171 Luquer Street, Brooklyn, New York. In addition to the foregoing, the Secretary of State of the state of New York is hereby designated as agent of the Board of Managers to accept the service of process in any proceeding.

13. UNITS SUBJECT TO DECLARATION, BY-LAWS, AND RULES AND REGULATIONS: All present and future Owners, tenants, subtenants and occupants of

Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and the Rules and Regulations (if any), as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering unto occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws, and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

14. AMENDMENT TO DECLARATION: This Declaration may be amended, modified, added to or deleted from by vote of Unit Owners representing at least 66-2/3% of all Unit Owners in number and in common interest, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners; provided however,

a) No amendment, modification, addition, or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

b) No amendment which shall change the percentage of Common Interest allocated to any Unit or Units may be made without the written consent of such Owner;

c) No amendment, modification, addition, or deletion of or to this Declaration will be effective in any respect against the Declarant, its designee, or any Unsold Unit until the Declarant or such designee shall consent thereto in writing;

d) No amendment, modification, addition, or deletion of or to this Declaration which would in any way alter, restrict or change the use to which a Commercial Unit may be put shall be effective against any such Commercial Unit without the written consent of the Owner of such Commercial Unit.

The Declarant hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances that are incomplete upon the original filing of the Declaration provided that the verified statement of a registered architect

or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p, will be filed with such amendment.

No such amendment shall be effective until recorded in the Kings County Office of the Register of the City of New York.

15. CHANGES IN UNSOLD UNITS:
For any Unit owned by the Sponsors or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsors or their designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit Mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change in and size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, appurtenant interests in the Common Elements; provided, however, that the Sponsors or their designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consent will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Sponsors or their designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any disclosed in an amendment to the Offering Plan for the Property. The provisions of this Paragraph 15 may not be added to, amended or deleted without the prior written consent of the Sponsors or their designee(s). In the event of any such change in an Unsold Units, Sponsors shall amend the Declaration and Floor Plans to reflect same.

16. INVALIDITY:

a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this

Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included;

(b) Subject to the terms of Paragraph "a" above, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, this Declaration and By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

17. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation, or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in Common Interest of the Units. The Declarant or its designee will not vote its interest appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Declarant may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided however, that no payment shall be made to a Unit Owner until all lienors have first been paid off out of their share of such proceeds.

19. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws. Common Expenses shall be charged to Unit Owners according to their respective common interests. Additionally, Common Expenses may be specially allocated and apportioned to residential or non-residential units, or a combination thereof, based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular Unit Owners.

20. DEFINITION OF "DECLARANT-DESIGNEE": The term "Declarant-Designee" as used in this Declaration shall mean any person or entity designated by the Declarant to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Declarant-Designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Declarant-Designee."

21. WAIVER: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

22. CAPTIONS: The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

23. GENDER: The use of one gender in this Declaration shall be deemed to refer to other genders and the singular to the plural, and vice versa, whenever the context so requires.

24. MORTGAGEES RIGHTS:

a) Notwithstanding anything to the contrary set forth in any other portion of this Declaration, amendments of a material adverse nature to the interest of the mortgagees must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes of the Condominium allocated to all units which are subject to mortgages;

b) Any action to terminate the legal status of the project after substantial destruction or condemnation, or for any other reason, must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes allocated to units which are encumbered by mortgages at the time of such termination. In the event notice of either of the foregoing is delivered to any mortgagee; and in the further event such mortgagee fails to submit a written response to such written notice within sixty (60) days after it receives such notice (and further provided that such notice was delivered by registered or certified mail with a return receipt requested); then in such case such mortgagee will be deemed to have consented to the notice to action.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this
day of , 20 .

171 LUQUER LLC
BY:

_____
GINO VITALE

STATE OF NEW YORK)
COUNTY OF) SS.:

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

_____
NOTARY PUBLIC

BY-LAWS

of the

171 LUQUER STREET CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership: The property located in the Borough of Brooklyn, County of Kings, City and State of New York at 171 Luquer Street, Brooklyn, New York (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as the 171 LUQUER STREET CONDOMINIUM.

Section 2. Applicability of By-Laws: The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Buildings, and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units."

Section 3. Application: All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

Meetings of Unit Owners

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his or her address as it appears in the records of the Condominium, unless he or she shall have filed with the Secretary of the Condominium a written request that notices intended for the him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing to do so by Unit Owners owning at least twenty-five per cent (25%) of the votes of the Condominium. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium be present thereat in person or by proxy. Except that there shall be a meeting commenced within thirty (30) days after the closing of the First Unit to be sold to elect a Board of Managers. If the Sponsor still owns fifty percent (50%) or more of the units in the building at this time, a majority of the new Board of Managers may be Sponsor-appointees. Transfer of control of the Condominium Board of Managers shall

pass to unit owners other than the Sponsor at the earlier of the following: a) Thirty (30) days after the date by which 75% of the units have been conveyed to unit purchasers; or b) Three (3) years after the first conveyance of a unit to a unit purchaser. Within thirty (30) days after transfer of control, a meeting will be held to elect new Managers unrelated to the Sponsor.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the votes of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. Only those Unit Owners who, if present at the adjourned meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to their Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the names of the proxy of such ballot if cast by a proxy.

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the name of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, un-incorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity. The

term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .01% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to the vote at all meetings of Unit Owners. If Units are owned by more than one person as joint tenants, tenants by the entirety, or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two thirds of Unit Owners shall mean those Unit Owners having greater than 66-2/3% of the total authorized vote of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. A vote of a majority of Unit Owners shall be sufficient for any action of any meeting, except where otherwise provided herein or required by statute.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

ARTICLE III

OFFICERS

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint such other

officers as in its judgment may be necessary. The President and Vice-President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers: The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing

Agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 9. Liability of Officers: No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

Managers

Section 1. Number: The number of Managers of the Corporation shall not be less than three (3) nor more than seven (7), as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, and hereinafter provided, the number of Managers shall be three (3). The number of Managers shall not be decreased to a number less than the number of

Managers then in office except at any Annual Meeting of Unit Owners. However, during the period the Sponsor, its Successor Offeror(s) or Designees(s) continue to own 50% or more of the Condominium the number of Managers shall remain fixed at three (3).

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners. The Board shall further have the right to employ a manager or managing agent, or both, and may delegate any or all of the powers conferred by this section to such managing agent. Persons employed in the operation of the property may be designated or removed by a majority vote of the Board of Managers, or without vote by the managing agent or manager, if such a person is employed by the Board.

Section 3. Nomination and Election: The Managers shall be elected for a term of one year at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. Their term of office shall be until their respective successors are elected and qualify.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held for that purpose promptly after the occurrence of any such vacancy even though no quorum is present. Each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of Unit Owners to serve the remaining term. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a Special Meeting of Unit Owners shall be called to elect a new Board of Managers. Any vacancy created by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Manager, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Manager of the Condominium or upon the written request of any three Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of the Board at which all the Managers shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective. Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least 51% of the votes of the Condominium at a Unit Owners' meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Holders of "Unsold Units" can be removed only for cause by a vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges as more specifically set forth in Article VI. The Board of Manager shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditures made by the Condominium's officers or its agent under authority of, or with the approval of, the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Until the earlier of (i) the fifth anniversary of the First Closing or (ii) such time as the Holders of Unsold Units hold less than 50% of the outstanding votes of the

Residential Units, the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least 51% of the votes of Residential Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

a) Increase the number or change the type of employees from that described in the FOOTNOTES TO SCHEDULE B of the Offering Plan;

b) Provide for new or additional services from those indicated in the FOOTNOTES TO SCHEDULE B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;

c) Establish any reserve other than the Reserve and/or Working Capital Funds set forth in the Offering Plan.

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

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Compensation: No Member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 11. Liability of the Board of Managers: The Members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-

Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit. Every agreement made by the Board of Managers, or the Managing Agent, or the Manager, on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit.

ARTICLE V

NOTICES

Section 1. Definitions: Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Managers or Unit Owner or mortgagee in such address as appears on the books of the Condominium.

Sections 2. Service of Notice Waiver: Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges: The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses, and allocate and assess such Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests; except that such expenses may be specifically allocated and apportioned by the Board of Managers in a manner different from common interest to one (1) or more non-residential units; or in the case of either residential or non-residential units or any combination thereof, such expenses may be specially allocated and apportioned based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Board of Managers may explicitly authorize the establishment of a reserve fund. The Common Expenses may also include such amounts as may be required for the purchase or lease of any Unit whose Owner has elected to sell or lease such Unit, or any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based, to all Unit Owners. Any dispute relating to the expenses to be borne by the Unit Owners shall be submitted to arbitration in accordance with these By-Laws.

Until such time as units are separately assessed for New York City real estate tax purposes, real estate taxes shall be deemed part of the common expenses of the building, and individual unit owners will be assessed their proportionate share thereof. After assessment, unit owners will be reimbursed for any overpayment of taxes or assessed for any underpayment.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: casualty insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers. In the event this building includes a commercial unit, the Board of Managers shall annually obtain from the insurance broker a letter stating the extent to which the cost of insurance for the condominium, on account of the usage of the commercial unit, exceeds the cost which would otherwise have been obtained if no commercial unit were present; and this cost shall be borne by the commercial unit owner. A copy of the letter shall be delivered to the commercial unit owner within ten (10) days after receipt thereof, and the commercial unit owner shall be obligated to pay the amount assessed therein within fifteen (15) days after receipt thereof.

Section 3. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him.

Section 4. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date thereof.

Section 5. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owners shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners. During the time that the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which the Sponsor is more than 30 days in arrears of common charges.

Section 6. Foreclosure of Liens for Unpaid Common Charges: In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey, or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the sale of any Unit pursuant to this Section shall be used first to pay the unpaid Common Charges and/or assessments, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 7. Statement of Common Charges and Assessment: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws; (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 9. Maintenance and Repairs:

a) All maintenance, replacement, or repair to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be the responsibility of the unit owner, and the expense thereof shall be the sole responsibility of the Unit Owner, excepting as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, shall be made by the Board of Managers as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed as per the Declaration.

c) Each unit owner shall be solely and only responsible for repair or maintenance of any limited common element appurtenant to his/her unit, including but not limited to painting, cleaning, patching, and surface repair, and, in the case of balconies, if any, structural maintenance.

d) In the event a unit owner fails properly to maintain his unit or limited common element, the Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas, and the cost thereof shall be assessed against the owner of the condominium unit in question, or the owner of the unit to which such limited common elements are appurtenant.

e) To the extent that damage to a limited common element or unit is caused by a building condition or by other condition for which the condominium carries insurance, the cost of repair of such damage shall be borne by the condominium.

Section 10. Restrictions on Use of Units: In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following:

a) The Units shall be used for private residences only, except that a Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Notwithstanding the foregoing, the Sponsor or Sponsor-Designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations.

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

c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d) No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

e) No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto), may be separately rented.

Section 11. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or which affects the exterior of the Building's Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or improvement. An application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due

to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 11 that require the consent of the Board of Managers in connection with a structural addition, alteration, or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 11 shall apply to all Units.

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

Section 12. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-Designee shall have the right to use of the Common Elements, without charge, for the purpose set forth in Section II of this Article VI.

Section 13. Right of Access: A Unit Owner shall grant a right of access to his Unit, to the Manager, the other Unit Owners, and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 13, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI. Each Unit Owner will be required to give a copy of the keys to their Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them in case of an emergency.

Section 14. Rules of Conduct: Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. A copy of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A, if any.

Section 15. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and, the Board of Managers shall pay, as a Common Expense, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed.

Section 16. Smoking Policy: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements.

ARTICLE VII

Mortgages

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit, of such Unit Owner's default, including non-payment of Common Charges, in the

obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books: Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

Section 5. Any mortgagee shall be entitled to timely written notice of:

a. Any condemnation of casualty loss that affects either a material portion of the project or the unit securing its mortgage.
b. Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage.
c. A lapse, cancellation, or material modification of any insurance policy maintained by the Homeowner's Association.
d. Any proposed action that requires the consent of a specified percentage of mortgagees.

Section 6. Notwithstanding anything to the contrary set forth in any portion of these By-Laws, any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of such unit's unpaid regularly scheduled budgeted dues or common charges accrued before acquisition of title to the unit by the mortgagee, together with any fees or costs related to the collection of such unpaid dues.

Section 7. Notwithstanding anything to the contrary set forth elsewhere in these By-Laws, no amendment, modification, addition, or deletion that shall adversely affect the lien of any mortgage may be made without the consent of the mortgagee.

Section 8. When a mortgagee fails to submit a response to any written notification made pursuant to these By-Laws within sixty (60) days after such notice is delivered by certified or registered mail, return receipt requested, said mortgagee will be conclusively presumed to have consented to the action set forth in said notice.

ARTICLE VIII

Condemnation and Termination

Section 1. Condemnation: In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to $50,000.00 or less, and to the Insurance Trustee if such award amounts to more than $50,000.00. If seventy-five (75%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five (75%) percent or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 2 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by the casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less that eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which their Unit are subject are paid off.

ARTICLE IX

Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party, by the Real Estate Board of New York.

Section 2. Variation by Agreement: The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost and Expenses: (a) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by Condominium board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE X

Conflicts

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XI

Amendments to the By-Laws

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of two-thirds (as that number is defined in these By-Laws) in number and in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are one or more Unsold Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be altered, amended, repealed or added to without the consent of the Holder(s) of Unsold Residential Units and the Sponsor.

ARTICLE XII

Miscellaneous

Section 1. Invalidity: The invalidity of any part of the By-Laws shall not impair or affect in any manner the valid enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only by matter of convenience and/or reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision therein.

Section 3. Gender: The use of one gender in the By-Laws shall be deemed to include other genders and the use of singular shall be deemed to include the plural, whenever the context requires.

Section 4. Waiver: No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to

enforce the same, respective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with approval of the holders of two (2) or more Unit first mortgages, if applicable). In the event the Insurance Trustee shall resign, the new insurance Trustee shall also be a bank, trust company, or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of two (2) or more Unit first mortgages, if applicable). The Board of Managers shall pay fees and disbursements of any Insurance Trustee, and such fees or disbursements shall constitute a Common Expense of the Condominium.

Section 6. Report to Unit Owners: The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

1) On or before March 1st of each year a financial statement for the previous years operation. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant or public accountant.

2) Prior notice of the annual Unit Owners meeting at least 30 days prior to such meeting.

3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this statement shall be certified by a qualified budget expert.

ARTICLE XIII

Sponsor Control

Section 1: Transfer of control of the Condominium Board of Managers shall pass to unit owners, other than the Sponsor, at the later of the following:

- Thirty (30) days after the date by which 75% of the units have been conveyed to unit purchasers;
  or
- Three (3) years after the first conveyance of a unit to a unit purchaser.

Notwithstanding the foregoing, Sponsor may vote for unit owners of its choice.

Section 2: Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less that 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in Schedule B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; or remedy any work order from an insurer; or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or required to avoid the suspension of any necessary service to the Building.

Section 3: So long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

Section 4: At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the purchasers at a meeting to be convened within 60 days after First Closing. If the Sponsor still owns 50% or more of the units in the building, the Sponsor-appointed managers may be re-elected at such time.

Section 5: So long as a majority of the Board of Managers consists of managers elected by the Sponsor or holders of unsold units, the board:

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

2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean, and, in a good state of repair and condition;

3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law, or order of an insurance carrier, or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

RE: 171 Luquer Street
Brooklyn, New York

We, 171 LUQUER LLC and GINO VITALE, being the Sponsor and principal of the Sponsor of the Offering Plan to convert the above captioned property to condominium ownership, jointly and severally certify as follows:

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20, and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us that amend or supplement the Offering Plan will:

1. Set forth the detailed terms of the transaction and be complete, current, and accurate;
2. Afford potential purchasers, investors, and participants an adequate basis on which to found their judgment;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, suppression, false pretense, or fictitious or pretended purchase or sale;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:
   a) knew the truth;
   b) with reasonable effort could have known the truth;
   c) made no reasonable effort to ascertain the truth; or
   d) did not have knowledge concerning the representation or statement made.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the Civil and Criminal penalties of the General Business Law and the Penal Law.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on July 31, 2023.

171 LUQUER LLC

By: _____
GINO VITALE, Sole Member

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on July 31, 2023.

_____
GINO VITALE

HENRY RADUSKY, R.A.
6321 New Utrecht Avenue, 2nd Fl
Brooklyn, NY 11219
Phone : (718) 259-1100

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 1005
Attention: Real Estate Financing Bureau

Re: 171 Luquer Street
Brooklyn, New York 11231

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 June 5th, 2023. I examined the building plans and specifications, prepared by Proactive Engineering PLC, 1016 Denton Avenue, New Hyde Park, NY 11040, dated February 6th, 2023, and prepared the Report dated, January 4th, 2024, 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.

REGISTERED ARCHITECT
HENRY RADUSKY
015029
STATE OF NEW YORK

HENRY RADUSKY, R.A.
6321 New Utrecht Avenue, 2nd Fl
Brooklyn, NY 11219
Phone # (718) 259-1100

Sworn to before me this
22 day of Jan, 2024

Notary Public

ZOYA DONSKAYA
Notary Public, State of New York
No. 01DO6374759
Qualified in Kings County
Commission Expires May 07, 2026

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July 26th, 2023

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20
OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23A, AS AMENDED

RE: 171 Luquer Street, Brooklyn, New York 11231

The Sponsor of the condominium Offering Plan for the above captioned property retained me to review SCHEDULE B and SCHEDULE B1, containing the projections of income and expenses for the first year of condominium operation. Our experience in the field includes being a licensed real estate broker for over 20 years, the management of approximately ten total buildings over eleven years, and the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to SCHEDULE B and SCHEDULE B1. We have reviewed the SCHEDULES and investigated the facts set forth in the SCHEDULES, and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.
We certify that the projections in SCHEDULE B and SCHEDULE B1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.
We certify that the Schedules do:
1. Set forth in detail the projected income and expenses for the first year of condominium operation;

2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, or suppression;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:
a) knew the truth;

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b) with reasonable effort, could have known the truth;
c) made no reasonable effort to ascertain the truth; or;
d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses of the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on July 26th, 2023.

Hal Lehrman
Licensed Real Estate Broker