THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP

CONDOMINIUM OFFERING PLAN FOR
THE PORTLAND CONDOMINIUM
104-112 South Portland Avenue
Brooklyn, New York 11217

TOTAL OFFERING PRICE FOR 44* UNITS**	$23,620,000.00
TOTAL OFFERING	$23,620,000.00
RESERVE FUND***	$ 673,470.00
WORKING CAPITAL FUND***	$ 65,662.00

* The number of Units may decrease if the Sponsor combines Units. Sponsor does not anticipate any Unit combinations at this time, but reserves the right to do so in the future and will amend the Plan accordingly at such time as combinations may occur.

** See the Section entitled "Rights of Existing Tenants" for a discussion of the rights of bona fide tenants to buy their own Units during the first ninety (90) days of this offering.

*** These are estimates of the amount of the Reserve Fund required under the terms of a law enacted by the New York City Council without deduction for credits allowed to Sponsor as well as an estimate of the Working Capital Fund which will be funded by contributions collected from each Purchaser at closing. The actual amounts cannot now be determined, however the amount listed above for the Working Capital Fund is based on the current Budget for the First Year of Condominium Operation. Sponsor may be entitled to a credit against the Reserve Fund and the Working Capital Fund may be depleted by closing adjustments. See the Sections entitled "Reserve Fund" and "Working Capital Fund and Apportionments" for further details.

The Condominium has (a) 44 Units (plus one Residential Unit which will be used as the Superintendent's residence) and (b) two (2) Non-Residential Units, which are not being offered for sale at this time.

SPONSOR AND SELLING AGENT:
Fulton Street Associates LP
c/o IBEC Building Corp.
90 Broad Street, Suite 2003
New York, New York 10004
Date of Acceptance for Filing:

The term of the initial offer is twelve (12) months commencing on the Date of Acceptance for Filing. The term may be extended by a duly filed amendment to the offering plan.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS SECTION OF THE PLAN.) THIS OFFERING PLAN IS THE ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING. SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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 of the State of New York strongly urges you to read this Offering Plan carefully and to consult with an attorney before signing an agreement to purchase a condominium unit. All capitalized terms are defined in the Certain Definitions Section of this Plan.

1. **Use of Units**. The Portland Condominium (the "Condominium") contains 44 Residential Units that are being offered for sale under this Offering Plan. The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. There are also two (2) Non-Residential Units, which are not being offered for sale at this time. The Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then existing certificate of occupancy for the Building. There is also one (1) additional Residential Unit (Unit 1A in Building 104) which is the superintendent's residence that will be conveyed to the Condominium.

Sponsor makes no representations whatsoever with respect to the uses to which all or any portion of the Non-Residential Units or its appurtenant Common Elements or any public spaces within the Building may be put at any time; nor does Sponsor make any representation with respect to the identity of the owners or users or future owners of any of the Non-Residential Units at any time.

The Non-Residential Units may be used for any legal purpose. The Board (as hereinafter defined) will have no right to restrict or limit any of the uses of the Non-Residential Units which are permitted by Law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. No representation or warranty is made with respect to any use of the Non-Residential Units or with respect to who the owner or tenant(s) of the Non-Residential Unit may be at any time. As a result, in the future a Non-Residential Unit may be used for non-retail purposes.

2. **Financial Crimes Enforcement Network Disclosure**. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form or wire, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Brooklyn from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including

without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an event of default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf. See the Section of the Plan entitled "Procedure to Purchase".

3. **Sponsor's Obligations to Sell**. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time prior to and after the consummation of the Plan. Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be Residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Further, Residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifty-one percent (51%) necessary to declare the Plan effective and owner-occupants may not gain control and management of the Condominium, until the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). Notwithstanding the expiration of the Initial Control Period, as the Sponsor has the unconditional right to rent Units, it may always hold a majority of the Units and thereby control the Board indefinitely. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

4. **Effectiveness**. This Plan is being offered pursuant to Section 23.3(s) of Title 13 NYCRR (a "Part 23" Plan). Accordingly, Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective (i.e., purchase agreements signed by bona fide tenants in occupancy of the subject premises for fifty-one percent (51%) of the occupied units on the day the Plan is accepted for filing by the Attorney General less the Units occupied by eligible senior citizens or disabled persons electing such status). Purchasers should note that Sponsor may declare the Plan effective after entering into Purchase Agreements with a minimum of fifty-one percent (51%) of the tenants. If the Plan is declared effective with a minimum number of Purchase Agreements, it is possible that Sponsor may be able to create a condominium regime even though there is no guarantee that all of the Purchasers counted toward effectiveness will ultimately close title to their Units. In the event all Purchasers counted toward effectiveness terminate their Purchase Agreements, Sponsor re-declare the Plan effective. Prior to the Plan being declared effective, Purchasers will be required to sign either the Affidavit in Exhibit 2 or 3 in Part II of this Plan. Please refer to the Sections entitled "Introduction" and "Effective Date" in Part I of the Plan for further details.

5. **Financing**. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to his or her Agreement shall

not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage of the Units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of Units purchased is lower than a lender's particular sales minimum. Moreover, in the current economic climate, lenders are imposing higher loan to value requirements, making it more difficult for Purchasers to obtain a loan to finance the purchase of their Unit. (See the Section entitled "Procedure to Purchase" for further details.)

6. **Fannie Mae and FHA**. To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may not comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation, or a lesser amount pursuant to a reserve study, is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the Common Elements or the Residential Common Elements, as the case may be. Please refer to the Section entitled "Introduction" in Part I of the Plan.

7. **No Third Party Beneficiary**. No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan. Please refer to the Section entitled "General" in Part I of the Plan for further details.

8. **Purchase Payments**. At the time a Purchase Agreement is executed, a Purchaser is required to make a Down Payment in an amount equal to ten percent (10%) of the Purchase Price (the "Down Payment"). Purchaser may be required to fund additional deposit(s) if additional work is being done to the Unit, provided however, that if this Plan is abandoned, Purchaser shall receive a refund of the additional deposit(s). In the event a Purchaser defaults under his or her Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Purchase Agreement and retain, as liquidated damages, the entire Down Payment made by the Purchaser together with interest earned thereon, if any. See the Section entitled "Procedure to Purchase" for further information.

In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Purchase Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may, at its option: (i) cancel the Purchase Agreement and retain as liquidated damages the Down Payment made by the Purchaser, together with all interest earned thereon, or (ii) bring an action against the Purchaser for specific performance, in which event the Purchaser could be compelled by court order to complete the purchase of the Unit. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Purchase Agreement: (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date; and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Unit in question for each day that the Closing is adjourned. See the Sections entitled "Procedure to Purchase" and "Closing Costs and Adjustments" for further information.

Purchasers are further advised that if a Purchaser makes a Down Payment (as defined in the Section "Introduction – Offering of Units for Sale" in Part I of this Plan) in excess of $250,000 for the purchase of a Unit, such Down Payment will not be federally insured in excess of $250,000; and while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the purchase for a Unit unless otherwise agreed by Sponsor.

In the event a Purchaser defaults and the Down Payment previously paid (together with any interest thereon) is retained by Sponsor (subject to the terms of the Plan) as liquidated damages, it is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Down Payment (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages

of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to, and retained by, Sponsor. In such case, but only in such case, Purchaser shall have no further liability to Sponsor in respect of the Purchase Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Down Payment (or any interest thereon). The election by Sponsor to retain and the retention by Sponsor of the Down Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. Please see the Section of the Plan entitled "Procedure to Purchase" for further discussion.

NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

Time is of the essence to Purchaser as to Purchaser's obligations pursuant to the Purchase Agreement, including, without limitation, for the payment of the balance of the Purchase Price. For purposes of this Plan and the Purchase Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Purchase Agreement is a material breach of the Purchase Agreement and an event of default entitling Sponsor to the remedies set forth in this Plan and the Purchase Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

All funds received by the Sponsor for upgrades or extras must initially be placed in an escrow account. However, Purchasers should note as a special risk 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 a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras unless the Plan is not consummated. See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.

9. **Condition of Units and Building**. The Units, including all appliances contained therein, are being sold "as is" in the condition in which they exist at the time a purchaser signs a Purchase Agreement subject to ordinary wear and tear. The existing Units are in varying condition from good to poor, ranging from recently renovated with updated finishes and appliances to original and unimproved finishes and appliances. Each Purchaser should examine the Unit they wish to purchase prior to executing a Purchase Agreement. Except as described in the "Description of Property" contained in Part II of the Plan, Sponsor makes no representations or guaranties regarding the condition of the Property, the Units or their fixtures and finishes and has no specific knowledge about problems with or needed repairs to the units or the Building. Purchasers should

carefully review the Description of Property and consult with their own professionals prior to purchase of a Unit. The Building was completed in 1907 and rehabilitated in 1986 and, as all prudent property owners are aware, a program of ongoing maintenance is typically required to ensure the integrity of a building.

Under federal law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Based upon the age of the Building, it can be assumed that there is lead-based paint or lead-based paint hazards in the Building, however, Sponsor is not aware of any lead-based paint or lead-based paint hazards in the Building that need to be remedied, and has no records or materials pertaining to same. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as Exhibit 21 in Part II of this Plan is a copy of the booklet issued by the United States Environmental Protection Agency, which details certain information regarding lead based paint. Purchasers have the right to inspect their Units for the presence of lead-based paint. However, Purchasers' failure to inspect their Units will be considered a waiver of their right to inspect their Units.

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. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as an Exhibit to this 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.

Sponsor shall not be obligated to correct, repair, or replace any and all immaterial conditions relating to construction of the Units or the General Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. See the Section entitled "Sponsor's Statement of Building Condition" for further details. The Building was completed in 1907 and accordingly, it is possible that some floors may be uneven. Sponsor makes no representation or warranty regarding levelness, or wear and tear of the floors. No information is available for insulation or sound isolators for the existing mechanical equipment and exhaust fan mounted on the main roof. Sponsor has not altered, removed, or added insulation on the roof or walls of the Building. No tests were performed to measure actual noise levels and vibrations generated by existing equipment and how far noise travels through the Building. Please refer to the Section entitled "Description of Property and Improvements" and the "Description of Property" contained in Part II of the Plan.

The individual Unit Owners will be responsible for ensuring that safety warning devices in the Units are kept operable. Please refer to the Section entitled "Description of Property and Improvements" under subsection "Security Procedures".

10. **Control of the Condominium**. The Condominium will have a board of managers (the "Board" or "Condominium Board") which will have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. The Board which will, after the Initial Control Period, as hereafter defined, consist of elected representatives of the Unit

Owners. Sponsor, as the owner of Unsold Units will have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of Residential Units representing more than 50% of the Common Interests or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor, although, Sponsor reserves the right to designate fewer than three (3) persons to the Board during the Initial Control Period in which Sponsor will amend the Plan to disclose such designation. Commencing with the First Annual Meeting, the Board shall consist of five (5) persons chosen by the Residential Unit Owners (including the Sponsor) and one (1) person designated by the Non-Residential Unit Owners.

All determinations with respect to the continuance or discontinuance of any of the services in the Building, will be made by the Board, which will be controlled by Sponsor upon the closing of title by Sponsor or its designees of Residential Units representing more than 50% of the Common Interests or (ii) five (5) years after the First Closing, whichever is earlier. Notwithstanding the expiration of the Initial Control Period, as the Sponsor has the unconditional right to rent Units, it may always hold a majority of the Units and thereby control the Board indefinitely. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or the Board, as the case may be.

The sale or lease of a Residential Unit is subject to a right of first refusal by the Board. Leases of Units, other than Unsold Units, may not be for terms shorter than one (1) year. The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-Residents. However, the Board, to the extent permitted by Law, has the right to reject sales and leases to Purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. (See the Section entitled "Control by Sponsor").

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the

Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. See the Sections of this Plan entitled "Control of the Condominium" for further discussion.

11. **Dispute Resolution**. All disputes between the Sponsor and the Purchaser regarding the Agreement including the return of the Down Payment after a default shall be determined by binding arbitration by JAMS. See the Section of the Plan entitled "Procedure to Purchase – Dispute Resolution" for more information.

12. **Sponsor Veto Powers**. Although Sponsor and its designees may exercise veto power over some actions of the Board, Sponsor may not exercise veto power over expenses described in Schedule B or over expenses required (i) to comply with applicable Laws or regulations; or (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer, or (iv) any matter affecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty five percent (25%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have conveyed title to seventy-five percent (75%) of the Units, but in no event later than five (5) years after the First Closing, the Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Contribution or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (i) (and no other alternative is available) to enable the Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or any matter affecting the health and/or safety of the occupants of the Property. See the Section entitled "Control By Sponsor" for further details.

13. **Amendments**. Until there are no Unsold Units, no amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way without the prior written consent of Sponsor or its designee or the owner of any Unsold Units, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Units, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Units, as the case may be. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board".

14. **Prohibition of Firearms**. All firearms are banned from the Building. No Unit

Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall at any time have or harbor firearms while in the Building, except as approved by the Board in its sole discretion.

15. **Delay of Closing.** Based upon the schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by Force Majeure Events, closings of title to Residential Units to begin on or about July 1, 2026.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date; provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised Condominium budget with current projections, and (i) if such amended budget exceeds the projected Condominium budget set forth herein by twenty-five percent (25%) or more; or (ii) subject to a Force Majeure Event, if the First Closing does not occur within twelve (12) months after July 1, 2026, the date set forth in Schedule B — "Projected Budget for First Year of Condominium Operation" as the commencement date for the projected First Year of Condominium Operation, then in the case of either (i) or (ii) Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements unless the delay is caused by a Force Majeure Event, if the Plan has been declared effective) the right to rescind their Purchase Agreements within fifteen (15) days after the presentation date of the amendment containing such revised budget or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Down Payment and any interest accrued thereon returned. In the event of a Force Majeure Event, the date indicated above shall be extended by the time the Force Majeure continues or such longer time pursuant to government order. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

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

16. **Warranties**. Upon Closing a Residential Unit, the Purchaser will receive warranties for the appliances in the Unit to the extent available. Except as contained on Purchaser's inspection statement Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and the Plans

and Specifications as well as the provisions of this Offering Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering because the Building was constructed in 1907. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners in their Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. In no event will Sponsor be liable for incidental, special or consequential damages.

17. **Sale of Occupied Units**. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more Non-Tenant Purchasers for investment or resale, or to lease occupied Units to others or to retain vacated Units for future rental. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to continue occupancy under applicable Rent Laws and to purchase their Units during a subsequent exclusive purchase period which occurs prior to the Effective Date. Please see the Section entitled "Effective Date" for further discussion. It is important to note that certain Units are subject to the Rent Laws. A Purchaser purchasing a Unit subject to Rent Laws will not be able to remove an existing tenant from that Unit unless that tenant is in violation of the terms of his or her lease. Please refer to the Section entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.

18. **Unit Alterations**. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or a mortgagee, to (a) change the layout of, or number of rooms in any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering the boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit, (c) designate a Common Element as part of the Unit or designate all or part of a Unit as a newly created Common Element (provided that the excluded section of the Common Elements or any addition thereto would not materially affect a Purchaser or Unit Owner, including, without limitation, amenities offered under the Plan), (d) re-designating in an amendment to the Declaration a portion of a subdivided Unit of one type (e.g., a Non-Residential Unit) as a Unit of another type (e.g., Residential) and (e) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Sponsor does not anticipate any construction work or renovation work in occupied Units. If Units become vacant, Sponsor may renovate as needed. An amendment will be filed in the event Sponsor elects to complete any renovation work. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created

and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

19. **Real Estate Taxes**. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's Purchase Price rather than its percentage interest in the Common Elements, and, if so, Units having the same percentage interest may pay different amounts of real estate taxes. In order to determine the Unit's real estate taxes at any time after the Condominium is formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www1.nyc.gov/site/finance/taxes/calculating-your-property-taxes.page. See Footnote 7 to Schedule A for more information regarding the projected assessed valuation after completion of rehabilitation. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part 1 of the Plan for further discussion.)

20. **Diplomatic Immunity**. Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges.

21. **Contingency**. The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution may be established to conform to Fannie Mae requirements for an amount to be set aside as a reserve for capital repairs and replacements. This budget line items may not be sufficient to meet the cost of any major capital repairs, unforeseen expenses or the need for future capital replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

22. **Common Interest**. The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a

comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. No change will be made to the percentage of Common Interests, except by an amendment to the Plan and, when applicable, to the Declaration. No change will be made to the percentage of Common Interest unless a Purchaser in contract or affected Unit Owner consents to the change.

23. **Floor Plans**. The Floor Plans set forth in Part II depict the layouts of the Units. The approximate floor area of each Unit has been measured horizontally from the outside face of the exterior walls of the Building to (a) the centerline of drywall or masonry partition separating one Unit from another Unit, (b) the corridor side of any corridor walls, (c) the centerline of the drywall or masonry partitions enclosing common element stairs, and (d) the centerline of any common element shafts, and other mechanical equipment rooms. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit. Outdoor floor areas of Back Yards or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances. There is a rebuttable presumption that an area that is diminished by five percent (5%) or less is not material. Because the square footages listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit is measured vertically from the top of the floor to the underside of the ceiling. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit.

The clearance between the top of the floor on one floor and the top of the floor on the next floor will vary among the Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Because dimensions listed are based on measurements from floor to ceiling, they do not accurately represent the heights of the Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the common elements. Please refer to the Notes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

24. **Asbestos**. Sponsor's obligations under this Plan do not include an obligation to remove any asbestos, however, Sponsor will remove any exposed asbestos related material, as required by Law. Sponsor will not remove any asbestos related material that is undisturbed, for example, asbestos that will remain within a wall which will not be penetrated or demolished, whether partially or entirely. In addition, in situations where a building riser or branch piping within a wall may contain asbestos, and that plumbing element is being replaced, the asbestos will be removed, as required by Law. Per the asbestos report included as Exhibit 5 of Part II of the Plan, there was no asbestos materials present.

25. **First Closing**. The Sponsor anticipates that the First Closing of a Unit will occur on approximately July 1, 2026. Subject to a Force Majeure Event, Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Residential Unit; or (ii) the projected date of closing of title to the first Unit, occurs later than June 30, 2027 unless such delay is caused by a Force Majeure Event, although the actual First Closing may occur prior to July 1, 2026. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. In the event of a Force Majeure Event, the date indicated above shall be extended by the time the Force Majeure continues or such longer time pursuant to government order. However, if the First Closing occurs before June 30, 2027, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless your 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.

26. **Closing Costs**. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 to reimburse Sponsor for its legal fees in handling the sale of the Residential Unit; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis not to exceed $500 per hour; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for

a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates which shall be disclosed to Purchaser prior to such negotiation of the Interim Occupancy Agreement. In connection with the Closing of a Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an Interim Occupancy Agreement shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

27. **Window Guards**. In the event a child of ten (10) years of age or younger resides, or visits for an extended period of time, a Unit, the Unit Owner is required to have installed (at the Unit Owner's expense) child safety window guards in all windows of the Unit, per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children ten (10) years old or younger lives or resides in the Unit. Windows may contain limit stops, which may not be removed. The Unit Owner shall maintain all window stops installed in the Unit and shall not remove same until permitted by applicable Law. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

28. **Easements**. The Sponsor, for so long as Sponsor owns any Unsold Units shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding restoring and replacing satellite dishes and other communication equipment on the roofs and façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities (as such term is defined in the Declaration) relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that the holder of the easement and the exercise of any such easement will not materially interfere with the Unit Owner's use and maintenance of the Condominium. Sponsor will indemnify the Board and/or Unit Owner for any damage or liability sustained as a result of the exercise of Sponsor's easement. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the Roof or façade of the Building or elsewhere on the Common Elements by Sponsor or their assignees or licensees shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto. Please see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Easements" for further details.

29. **Mechanical Equipment**. The Building includes mechanical equipment. During normal operation of this equipment (which may include required periodic testing), some occupants of Residential Units adjacent to or in the vicinity of the equipment floors, equipment areas and the roof of the Building may perceive noise and/or vibration from the equipment. The sole obligation

of Sponsor and the Condominium Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code and Title 24, Chapter 2, Section 24-201, et. seq. of the New York City Administrative Code (the "New York City Noise Control Code"). Purchasers are prohibited from impeding access to any mechanical equipment which may be located in the ceilings, walls or closets of Residential Units. The Condominium Board and its employees, agents and contractees may require intermittent access for maintenance, repair and replacement of such mechanical equipment, and Purchasers are prohibited from blocking such access or building any installation or fixture which inhibits such access or is otherwise in violation of applicable law.

30. **Smoking**. Smoking shall not be permitted anywhere on the Property including in Residential Units and in Back Yards. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium (including legal fees) in enforcing this provision.

31. **Security Systems**. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in the Building than would otherwise be the case. In addition, transients will always be using the Non-Residential Unit. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designees nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or the respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

32. **Views**. Changes in zoning or construction of new buildings within the vicinity of the Property could affect existing or planned views. No assurance can be given that the views planned or currently existing (or existing when Purchaser first purchases or occupies a Unit) will continue to exist unchanged.

33. **Title Indemnity**. Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed to the Purchase Agreement as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State additional tax pursuant to Article 31 of the Tax Law, commonly

referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the above fees and penalties are not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement in Part II of the Plan.

34. **Risk of Loss**. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's or the Condominium's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Occupancy Agreement with Sponsor, at which time such risk to the contents of the Unit not covered by Sponsor's insurance (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to

the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

35. **Interstate Land Sales Full Disclosure Act Exemption**. The Interstate Land Sales Full Disclosure Act 15. U.S.C. §§ et seq. ("ILSA") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. ILSA requires sellers of lots in certain subdivisions to file a statement of record (the "Statement of Record") and property report (the "Property Report") with CFPB and provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the project or sale is exempt from this filing requirement. For condominium projects with fewer than 100 total units, sellers do not have to file the Statement of Record and Property Report. Accordingly, the registration and filing requirements of ILSA are not applicable to the Condominium as the Condominium is exempt from same. Thus, Purchasers will receive the Plan only, without copies of a Statement of Record and Property Report, and will not have the rights afforded purchasers of units in non-exempt projects pursuant to ILSA.

36. **Insurance**. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Limited Common Elements, that are exclusive and/or appurtenant to the Unit. Consequently, all Unit Owners are required to obtain and maintain a personal liability policy if the Unit Owner is an individual against claims for personal injury death or property damage occurring in, on or about such Unit Owner's Unit and the Limited Common Elements, if any, exclusive and/or appurtenant to his or her Unit. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws. Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense. If Purchaser's lender requires any additional flood insurance, Purchaser will be obligated to obtain such supplemental dwelling flood policy at Purchaser's sole cost and expense. See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board".

37. **Additional Units**. Sponsor reserves the right to change the number and size of the Unsold Units by, among other things, subdividing and reconfiguring the Unsold Units and, as the case may be, in connection with such subdivision and reconfiguration, re-designating in an amendment to the Declaration. In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate Common Interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond any applicable grace or cure periods, or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Down Payment(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material. (See the Sections entitled "Changes in Prices, Units" in Part I of the Plan for further discussion.)

38. **Custom Work**. Sponsor may agree, in its sole discretion, to perform custom work to a Unit (including without limitation combining or further dividing Units) at Purchaser's request ("Custom Work"). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of the costs of such Custom Work (the "Custom Work Costs") which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Agreement for the Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan. The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Unit. In the event a Purchaser becomes entitled to rescission after the release of the Custom Work Costs or any portion thereof to Sponsor the Purchaser shall not receive a refund of any Custom Work Costs, if any, used to perform Custom Work in the Unit. If the Plan is abandoned, any Custom Work Costs will be returned to Purchaser.

39. **Defense Costs**. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or, if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement, or in otherwise enforcing Purchaser's obligations thereunder, if Sponsor prevails in defending or enforcing Sponsor's rights. The Agreement also provides, that, except as prohibited by Law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

40. **No Invasive Testing**. Prior to the closing of a Unit, Purchasers shall not be entitled

to conduct any invasive testing in the Unit including, without limitation, making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Please refer to the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan.

41. **Marketing Material**. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any Marketing materials and/or advertisements, and/or websites used in connection with the sales and Marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such Marketing materials is for illustrative purposes only.

42. **Sponsor's Obligations**. Sponsor reserves the right to sell ten 10 or more of the Units or twenty percent (20%) of the Units and to designate the purchaser of such blocks of Units as a "sponsor" under this Plan and the Declaration or to not designate the purchaser as a sponsor. A party designated as a "sponsor" or a "sponsor-designee" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Units under this Plan, applicable Laws or regulations. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units or the other obligations of the Sponsor under this Plan. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units and the other obligations under the Plan. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

43. **Sponsor Principal**. Consistent with a recent First Department decision, 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. See 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). (See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II of the Plan for details.)

44. **Obligations of Sponsor and Rights of Tenants**. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor has not furnished any bond or other security for performance of Sponsor's financial obligations pursuant to the Offering Plan. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details. On September 14, 2010, the Appellate Division of the Supreme Court of New York, First Department, upheld the ruling in *MH Residential 1, LLC et al. v. John Barrett et al.*, that an unregulated tenant becomes protected when the Plan is declared effective and not when the Plan is filed. In addition, the court held that a "tenant in occupancy" does not include a holdover tenant and in the case of a tenant holding over after the expiration of the lease term, no landlord-tenant relationship exists. Pursuant to the Plan, unregulated tenants become protected from eviction under the Martin Act once the Plan is declared effective, however

this does not apply to holdover tenants. Please see the Section entitled "Rights of Existing Tenants" for further discussion.

45. **Rebates to Unit Owners of Surplus of Annual Receipts**. Notwithstanding the various Common Charges required to meet the expenses set forth in the projected Budget for the first year of Condominium operations in connection with the Budget provided in this Plan or until the expiration of the Initial Control Period, in the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount shall be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time the Declarant and each Unit Owner owned such Unit. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of nay credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. Sponsor shall continue to update the budget, in accordance with the governing regulations. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums, reserve funds and contingency funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Board determines, the Board will assess Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-i and 339-m. As set forth in the projected "Budget for First Year of Condominium Operation, Schedule B" the Non-Residential Unit Owner share the costs for insurance, heating, water and sewer, life safety equipment, electricity, administration, contingency for repairs and management fees based upon their Common Interests and share the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage. Other costs such as the costs for hot

water, gas and service contracts, are not borne at all by the Non-Residential Unit Owner because such utilities and/or services are either separately metered or are not used by the Non-Residential Unit Owner.

46. **Purchase of Multiple Units**. If a Purchaser has entered into Purchase Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Agreements, beyond any applicable grace periods, shall be deemed a default under all of the Purchaser's Purchase Agreement. In the event of a such a default, Sponsor may, at its option, cancel each such Agreements and retain, as liquidated damages, all Down Payment(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Agreement(s).

47. **Services**. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. During the Initial Control Period, Sponsor will not diminish the services and facilities provided in the Plan after such services and facilities are made available. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or either of the Board, as the case may be.

48. **Mold**. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on strict liability, or breach of express or implied warranty, unless caused by the negligence or misconduct of Sponsor. The provisions of this paragraph shall survive closing of title or the termination of the Purchase Agreement. See the Purchase Agreement, set forth as Exhibit 1 in Part II of the Plan, for more information.

49. **Lease of Units Prior to Closing**. Sponsor has further reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party and to cease marketing Units for sale at any time. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units and will not become rent stabilized tenants or protected tenants under the Rent Laws. However, any lease for a Unit entered into with a Purchaser, other than a Tenant Purchaser, will provide among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling

Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such lease in accordance with applicable Law.

In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such Purchase Agreement and to exercise any remedies therein provided. Individuals who rent vacant Unsold Units from Sponsor are not Tenant Purchasers under the Plan and shall have no rights to purchase thereunder. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. See the Sections entitled "Interim Occupancy Agreement" and "Rights and Obligations of Sponsor" in Part I of the Plan.

50. **Safety Devices**. Residential Units will be equipped with certain safety devices including fire and carbon monoxide alarms, which have to be checked regularly to make certain that they are operating properly. Checking and replacing the safety devices will be the Unit Owner's responsibility.

51. **Roof Rights/Easement**. Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner, if any) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. Further, the holder of the easement and the exercise of any such easement will not materially interfere with the Unit Owner's use and maintenance of the Condominium. Sponsor is obligated to indemnify the Condominium in connection with Sponsor's exercise of this easement. Any additional insurance costs/coverage needed in connection therewith will be borne solely by Sponsor. As used herein, "Permitted Roof Platform Purposes" shall mean

all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

52. **Wood Floors**. Purchasers are advised that Residential Units may feature wood flooring. Wood flooring should not be washed with water. Sponsor makes no representation as to the number of times such floors can be sanded. Sponsor is not responsible for: (i) immaterial variations in floor level and slight separation between base and floor; (ii) immaterial variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring. Nearly every wood floor will have some seasonal separation between the individual boards, which is normal. However, excessive shrinkage from changes in humidity can cause more serious, irreparable issues such as cracking, cupping, delamination, and even buckling.

Purchasers should also note that wood materials used as finishes have certain inherent risks associated with such use. Risks associated with wood products (including, but not limited to wood flooring, furniture, cabinetry, interior of cabinetry, moldings, etc.) include, but are not limited to: appearance of cracks between floor boards, gaps, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Cracks, gaps, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is sometimes affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. Wood flooring can also dent. Protective felt pads and protective material should be used when placing furniture or appliances. A wet mop should never be used on wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling and subsequent gapping. Purchasers should refer to the manufacturer's instructions on care of wood floors. See the Section entitled "Rights and Obligations of the Condominium Board and Unit Owners" in Part I of the Plan for further discussion.

53. **Model Residential Unit**. Purchasers are advised that there may be certain design elements included in a model Residential Unit that are not offered for sale and not included in the Residential Units being sold. Specifically, the furniture, furnishings, materials, equipment, hardware, installations, lighting or decorations displayed in a model Residential Unit should not be deemed to be included in the sale of a Residential Unit, except as otherwise described in this Plan. The materials, appliances and finishes, etc. in the Building and/or Residential Units are described in this Plan and are subject to modification as provided herein, and may vary from those displayed in a model Residential Unit. All dimensions in a model Residential Unit are approximate and subject to normal construction variances and tolerances. Purchasers should consult the Floor Plans appearing as Exhibit 8 in Part II of the Plan and consult Sponsor with any questions as to precisely what design elements their Residential Unit will include.

54. **Prohibition on Re-Sales and Leasing**. So long as Sponsor owns at least one (1) Unsold Residential Unit, Purchaser hereby covenants and agrees that it shall not, (a) prior to Purchaser's acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for

sale or lease and (b) for a period of twelve (12) months after the acquisition of the Unit, sell the Unit without Sponsor's written approval. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements.

55. **Statute of Limitations**. The Purchase Agreement provides that Purchaser, as Residential Unit Owner, shall have a maximum of three (3) years from closing of the acquisition of the Unit to bring a claim under the Purchase Agreement and/or Plan against Sponsor. This three year period is shorter than the six (6) year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Purchase Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three (3) year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Purchase Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Purchase Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years from the closing of title of Purchaser's Unit, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. Notwithstanding the foregoing, nothing shall preclude or limit, in anyway, the authority or actions by the New York State Office of the Attorney General or other governmental agency or law enforcement agency. See Part I, Section Q of the Plan, entitled "Procedure to Purchase" and the Purchase Agreement itself, for additional information.

While Sponsor is attempting to shorten the statute of limitations for certain claims, courts have restricted a party's attempt to restrict the statute of limitations if the restriction is deemed unreasonable. Purchasers should discuss this provision with their attorneys prior to executing the Purchase Agreement.

56. **Local Law 97**. Local Law 97 is a New York City law that limits greenhouse gas emissions from Buildings. Sponsor anticipates that the Condominium will meet emissions benchmarking standard for the next ten (10) years based on energy saving measures implemented at the Building. Buildings that fail to meet compliance standards may be subject to steep fines and penalties, which may increase Common Charges. Purchasers should discuss this provision with their attorneys prior to executing the Purchase Agreement.

57. **Amenities.** The laundry room is fully operational now and will be operational at the time of the First Closing.

58. **Managing Agent**. IBEC Building Corporation, having an address at 90 Broad Street, Suite 2003, New York, New York 10004, will be the Managing Agent for the Building. The Managing Agent is an affiliate entity of the Sponsor and was founded by Samy Brahimy and Hesky Brahimy.

59. **Super's Unit**. On the later of one (1) year after the First Closing or 30 days after all of the Residential Units have been closed, Sponsor will sell Unit 1A, to the Condominium, which will own such Unit on behalf of all Unit Owners and will use the same for the residence of the superintendant ("Super's Unit"). The Purchase Price for the Super's Unit, which is currently anticipated to be Unit 1A, will be $0.00. The Condominium Board shall pay all expenses of the Super's Unit from and after the First Closing regardless of when the closing of title to such Super's Unit occurs as aforesaid. There is also no guarantee that the super will be residing at the Property at the time of closing of any particular Unit although all Legal Requirements with respect thereto will be complied with. All costs and expenses of the Super's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Condominium Board at all times. In addition, until such time as title to the Super's Unit has been conveyed to the Condominium Board, Sponsor may charge the Condominium Board a reasonable rental in respect of the Condominium's use thereof. Prior to the sale of the Super's Unit to the Condominium, Sponsor will lease the Super's Unit to the Board for use as the super's residence. The rent for the Super's Unit shall consist of the Common Charges and real estate taxes payable for the Super's Unit. See the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation" for further details.

60. **Unacceptable Conditions**. Each Residential Unit is equipped with an existing Alpha Communications/TekTone TA 205C-5 wire intercom system with TekTone Entrance Panel. The manufacturer's warranty has expired and the system is to be replaced. Sponsor will provide the installation of a new intercom system including a new panel at the existing panel location with a push button. The estimated cost to replace is approximately $66,000. Sponsor anticipates the installation of the new intercom system will start in July 2025 and take approximately one (1) month to complete.

61. **Air Conditioning**. Sponsor is not providing air conditioning in the Units. Purchasers will be responsible for providing their own air conditioning equipment at their sole cost and expense.

62. **Roof**. The existing roof was installed in 1997 and is twenty eight (28) years old. The roofing system warranty is unknown and may have expired.

63. **Transfer Taxes.** Purchasers are advised that as is common in offerings of residential condominium units in New York City, and as more fully discussed in this Plan, Purchasers will be required pursuant to the Agreement to pay the New York City Real Property Transfer Tax (the "RPT Tax") and the New York State Real Estate Transfer Tax (the "State Transfer Tax," and collectively with the RPT Tax, the "Transfer Taxes") due on the sale of the Units. Absent this contractual provision, Transfer Taxes would be a seller's obligation. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder. The State Transfer Tax as of July 1, 2019 is $2.00 per $500, or fractional portion thereof, of the consideration for the Unit transferred at Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. Also, as more fully discussed in this Plan, New York State imposes a transfer tax upon a purchaser of a residential condominium unit (the "Mansion Tax"), which tax shall be the primary

obligation of Purchaser. The Mansion Tax is 1% if the Purchase Price is at least $1,000,000, but less than $2,000,000, 1.25% if the Purchase Price is at least $2,000,000, but less than $3,000,000, 1.5% if the Purchase Price is at least $3,000,000, but less than $5,000,000, 2.25% if the Purchase Price is at least $5,000,000, but less than $10,000,000, 3.25% if the Purchase Price is at least $10,000,000, but less than $15,000,000, 3.5% if the Purchase Price is at least $15,000,000, but less than $20,000,00, 3.75% if the Purchase Price is at least $20,000,000, but less than $25,000,000, and 3.9% if the Purchase Price is at least $25,000,000. For purposes of computing consideration subject to the Transfer Taxes and Mansion Tax, the New York City Department of Finance and the New York State Department of Taxation and Finance include the aggregate of certain Transfer Taxes payable by Purchaser under the Agreement and might include other costs payable by Purchaser which, absent a contractual provision making them Purchaser's obligation, could be considered Sponsor's expense. Accordingly, with respect to the Mansion Tax, even though the Purchase Price allocated to a Unit might be less than $1,000,000 (or another applicable threshold), it is possible that the Purchase Price for such Units, when grossed up by the aggregate of certain Transfer Taxes and other seller expenses and other amounts payable by Purchaser, might be in excess of $1,000,000 (or another applicable threshold), thereby subjecting the transaction to the Mansion Tax. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder. The Purchaser shall also pay any tax in addition to the Transfer Taxes and Mansion Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax. See the Section of the Plan entitled "Closing Costs and Adjustments."

B. INTRODUCTION

1. **The Offering Plan**

Fulton Street Associates LP, a New York limited partnership ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 11,004 square feet at the intersection of South Portland Avenue and Fulton Street in the Fort Greene section of Brooklyn, New York (the "Land"), including a building with four (4) floors, inclusive of roof levels and Cellar levels (the "Building") containing 44 Residential Units, which are referred to collectively as the "Residential Units", which are being offered for sale and two (2) retail stores (the "Non-Residential Units"), which are not being offered for sale. There is also a Super's Unit which is part of the Condominium. The Residential Units, the Residential Common Elements and the Residential Limited Common Elements are referred to collectively as the "Residential Section". The Land and the Building are collectively referred to herein as the "Property" and were acquired by the Sponsor on August 13, 1983 from Pimlico Realty Co. Inc. The condominium will be known as "The Portland Condominium" and is called the "Condominium" in this Plan. The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 44 Residential Units. The Residential Units and Non-Residential Unit will have entrances on South Portland Avenue and Fulton Street.

Sponsor reserves the unconditional right to rent or lease, rather than sell, the Residential Units prior to and after the consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. Because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifty-one percent (51%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Residential Section, and the First Annual Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 28 Liberty Street, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of

an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

The property is encumbered by a mortgage held by J.P. Morgan Chase Bank, N.A. ("Sponsor's Lender") having an address of 700 Kansas Lane MC 8000, Monroe, Louisiana 71203. At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Sponsor's Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the loan documents. There are minimum release prices for each Unit set by Sponsor's Lender that must be paid to Sponsor's Lender at Closing in order for Sponsor's Lender to release its lien from the Unit being sold. Sponsor's Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective.

2. **The Condominium**

The Building contains four (4) floors above grade exclusive of roof levels and Cellar level. The floors in the Building are named (from bottom to top): Cellar, First Floor, Floors 2-4 and roof. As more particularly described herein, the Building will include (a) a Residential Section containing the 44 Residential Units on Floors 1-4 and the Residential Common Elements which are located on a portion of the Cellar, (b) two (2) Non-Residential Unit located on the First Floor, and (c) the Non-Residential Common Elements. There is also a Super's Unit located on the First Floor.

3. **Features of Condominium Ownership**

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. The owners of the Residential Units are collectively entitled to the exclusive use of the Residential Common Elements. He or she also owns, in common with the owners of all other Residential Units, an undivided interest in (and right to use) the Residential Common Elements, and, in common with the owners of all other Units, an undivided interest in (and right to use) the General Common Elements.

Each Unit Owner is obligated to comply with the Declaration and By-Laws, Rules and Regulations, and any other requirements of the Condominium Board. The Condominium Board shall have the authority to manage the Condominium. The Unit Owners have the right to vote for members of the Condominium Board after the Initial Control Period.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit(s) with such lender and in such amount as he or she chooses. However, Sponsor makes no representations about whether a Purchaser will be able to finance the purchase of any Unit. There are no limitations or restrictions upon the rights of the Non-Residential Unit Owners to mortgage the Non-Residential Units. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in the By-Laws and Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing. The Board may not limit or restrict the rights of the Non-Residential Unit Owners to decorate the Non-Residential Units.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit and the opinion of Goldberg Weprin Finkel Goldstein LLP, counsel to Sponsor for a discussion of the Real Estate Taxes.

The Board does not have the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Board has the right to reject sales and leases to purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity without being required to exercise the right of first refusal. The Non-Residential Unit Owners may sell or lease all or any portion of its Unit, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers – Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act". The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Generally, the cost of operating the Residential Common Elements will be borne by the Residential Unit Owners in proportion to their respective Common Interests and the cost of operating the Non-Residential Units and appurtenant common elements will be borne entirely by the Non-Residential Unit Owners. Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Non-Residential Units and the Non-Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Residential Section. The costs and expenses of operating and maintaining the General Common Elements will generally be shared by

all Unit Owners in proportion to their respective Common Interest except as otherwise provided in the projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of General Common Expenses and Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with Law. The Condominium Board cannot change the method of allocation of Common Expenses or increase the number of building employees servicing the Non-Residential Units as set forth in Schedule B, without the consent of the Non-Residential Unit Owners.

The Residential members of the Condominium Board will be responsible for deciding all matters solely concerning the Residential Section. The Non-Residential Unit Owners will be responsible for deciding all matters solely concerning the Non-Residential Units and Non-Residential Common Elements. Matters affecting both the Residential Section and the Non-Residential Section or affecting the General Common Elements will be decided by the Condominium Board.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Board determines, the Board will assess Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-i and 339-m. As set forth in the projected "Budget for First Year of Condominium Operation, Schedule B" the Non-Residential Unit Owner share the costs for insurance, heating, water and sewer, life safety equipment, electricity, administration, contingency for repairs and management fees based upon their Common Interests and share the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage. Other costs such as the costs for hot water, gas and service contracts, are not borne at all by the Non-Residential Unit Owner because such utilities and/or services are either separately metered or are not used by the Non-Residential Unit Owner.

After the closing of title to a Residential Unit, a Residential Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Residential Unit, as well as liability insurance with respect to occurrences in or about his or her Residential Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York Law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of either of the Board, any Unit Owner, or mortgagee, to refuse to approve

and execute (a) a Purchase Agreement for any Unit and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Down Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law.

Current zoning permits the residential use of all Residential Units offered for sale and the Non-Residential use of the Non-Residential Units. Neither the Condominium Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Non-Residential Unit. No representation or warranty is made as to who the owner(s) or tenant(s) of the Non-Residential Units may be at any time or as to the uses to which the Non-Residential Units and the Plan will be amended to disclose any new owner of the Non-Residential Unit. It is noted that applicable zoning permits a broad range of the Non-Residential space.

The Plan is being filed as a Part 23 Plan for an occupied residential building. Under the General Business Law ("GBL"), Sponsor may not declare this Plan to be effective until Purchase Agreements have been executed and delivered for at least fifty-one percent (51%) of all dwelling units in the Building occupied by bona fide tenants, who were in occupancy on the date of acceptance of the Plan for filing. As a result, Unit Owners may be living in a mixed rental/owner-occupied building for an indeterminate period of time and owner-occupants may not control the Board or operation of the Building during such transition period. The By-Laws do not include a provision that after the Initial Control Period, a majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. In addition, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

Sponsor reserves the right to sell Unsold Units and to designate the purchaser of ten (10) or more Units or twenty percent (20%) of all Units as a "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "sponsor" as more fully described in the Plan.

Except in cases of Purchasers with diplomatic immunity or who have been convicted of a violent crime or child molestation, the Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents. The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-Residents.

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

4. **Offering of Units for Sale**

(a) Sponsor hereby offers for sale 44 Residential Units. All equipment and fixtures described in this Plan as being included in a Unit are included in the Offering Price. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A". **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

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

Sponsor will endeavor in good faith to sell all of the offered Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Offered Units. However, under the terms of this Plan, Sponsor may retain ownership of the Non-Residential Unit and may, decide to rent certain Offered Units from time to time. As a consequence of the foregoing, Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be Residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifty-one percent (51%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

Sponsor reserves the right to sell ten (10) or more Units in the Condominium and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Units under this Plan, applicable Laws or regulations.

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 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 its designee has not sold a substantial

percentage of the apartments in the building or group of buildings. 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 an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

Each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund of the Residential Section. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Common Charges in effect at the time of closing for each Unit purchased for each Fund. The contributions are not refundable. (See the Section entitled "Working Capital Fund and Apportionments").

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Unit.

The charges for electricity consumed by each Residential Unit Owner will be submetered. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owner as a Common Expense. The costs and expenses of central heat and gas with respect to the Residential Section will be included in Residential Common Charges; Residential Unit Owners will be required to pay charges for electricity consumed. Electricity and gas in the Non-Residential Unit will be separately metered. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

Subject to the rights of Eligible Tenants and applicable Legal Requirements, Sponsor has reserved the unconditional right to rent or lease any Unit prior to Closing, to the Purchaser or any other party, and to cease marketing Units for sale at any time. However, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, a Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once a Purchase Agreement is signed for a Unit and for so long as such Purchase Agreement is in effect and except with respect to Units that are occupied by Non-Purchasing Tenants, such Unit may be leased only to the Purchaser listed in the Purchase Agreement. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the amount necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium Board.

In the event Sponsor makes a bulk sale of the Units, the transferee is entitled to and bound by those additional rights and obligations (including the aforementioned representation regarding good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes

which will be separately assessed against such Unit (although the By-Laws provide for a limited period of time following the recording of the Declaration when the Units may not be separately assessed), and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain.

Schedule A sets forth the estimate for the amount of real estate taxes which will be payable with respect to each Unit during the First Year of Condominium Operation. See Notes to Schedule A hereof with respect to the basis of such estimate.

(b) Sponsor's Offer to Present Residential Tenants

Tenant Purchasers (defined in the Section entitled "Rights of Existing Tenants"), shall have the exclusive right to purchase their respective Units within ninety (90) days from the Presentation Date of this Plan (the "Exclusive Purchase Period") at the Purchase Prices set forth in Schedule A, during which time that Tenant Purchaser's Unit shall not be shown to a third party unless he or she has, in writing, waived his or her right to purchase. There will be no increase in prices to Tenant Purchasers during any exclusive purchase period for Tenant Purchasers and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Units during any exclusive purchase period. The phrase "any exclusive purchase period" refers to the initial 90 day Exclusive Purchase Period and any subsequent exclusive purchase period, which would be contained in a duly filed amendment to the Plan, although there is no certainty that there will be exclusive purchase periods after the initial 90 day Exclusive Purchase Period. Subsequent to the expiration of the Exclusive Purchase Period, a Tenant Purchaser in occupancy of a Unit who has not purchased shall be given the exclusive right for an additional period of six (6) months from said expiration date to purchase Tenant Purchaser's respective Unit on the same terms and conditions as are contained in an executed contract to purchase Tenant Purchaser's Unit entered into by a bona fide Purchaser, such exclusive right to be exercisable within fifteen (15) days from the date of mailing by registered mail of notice of the execution of a Purchase Agreement together with a copy of the executed Purchase Agreement to said Tenant Purchaser.

In order to qualify for the foregoing benefits during the Exclusive Purchase Period, a Tenant Purchaser must submit to the Selling Agent, during the Exclusive Purchase Period, a signed Purchase Agreement and a Down Payment in an amount equal to ten percent (10%) of the Purchase Price for the Unit in which the Tenant Purchaser resides. See the Section entitled "Procedure to Purchase" in Part I of the Plan for more details.

If prior to the expiration of any exclusive purchase period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

There are no Units in the Building being offered for sale under this Plan that are subject to the Housing Security and Tenant Protection Act of 2019, New York City Rent Stabilization Law and Code, as amended, the Rent Regulation Reform Act of 1993 ("RRRA"), as amended pursuant to the Rent Regulation Reform Act of 1997, the Rent Law of 2003, the Rent Act of 2011, and the Rent Act of 2015 and the rent regulatory scheme or any codes, rules and

regulations promulgated thereunder (collectively the "Rent Laws").

(c) The Offer to Non-Tenant Purchasers

Sponsor hereby offers for sale those Units in the Building set forth in Schedule A on the following terms:

(i) They shall have the opportunity to purchase a vacant Unit at the prevailing Purchase Price as set forth on Schedule A; and

(ii) They shall have the opportunity to purchase an occupied Unit either following the Exclusive Purchase Period afforded Tenant Purchasers or upon receipt of a written waiver by the Tenant Purchaser of the Tenant Purchaser's right to purchase during the Exclusive Purchase Period at the prevailing Purchase Price as set forth on Schedule A.

In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must submit to the Selling Agent a signed Purchase Agreement and the Down Payment in an amount equal to ten percent (10%) of the Purchase Price for the Unit to be purchased. See the Section entitled "Procedure to Purchase" for more details.

(d) Eligible Senior Citizens and Eligible Disabled Persons

(i) Election.

A tenant may elect not to purchase as an eligible senior citizen or eligible disabled person as defined in G.B.L., section 352-e(2-a) or 352-eeee, or as an eligible disabled person as defined in G.B.L., section 352-eee, within 60 days of the date the Plan is submitted to the Department of Law or within 60 days or on the date the Department of Law has accepted the plan for filing by completing the applicable form, SH-1 or SH-2, prescribed by the Department of Law and included in the offering plan immediately preceding the introduction page, signing the election form and having the signature notarized and personally delivering it to the named Sponsor or agent at a location specified by the Sponsor in the plan, or by mailing it by certified or registered mail, return receipt requested to the named Sponsor or agent at an address specified by the Sponsor in the plan. G.B.L., section 352-eee does not require that a tenant file an election form in order to qualify as an eligible senior citizen. However, it is advised and requested that a tenant, who believes he or she is or will become an eligible senior citizen within 12 months from the date the plan is filed, complete the election form SH-5 promulgated by the Department of Law and included in the plan. This senior citizen election form should be completed, signed, notarized and returned to the sponsor. In the event that the plan becomes subject to G.B.L., section 352-e(2-a) after the plan was accepted for filing: (a) the plan must be amended immediately after the statute becomes applicable to such offering, and (b) such election may be made within 60 days of presentation of such amendment.

(1) An SH-1 or SH-2 election form is timely if it is personally delivered or postmarked before midnight of the 60th day after the Plan is submitted to the Department of Law or on the date the Department of Law has accepted the Plan for filing subject to statutory rules of construction. An SH-5 election form may be delivered at any time.

(2) The sponsor or agent shall acknowledge receipt of the election form and promptly return an acknowledged copy to the nonpurchasing tenant.

(ii) Determination of disputed elections.

If Sponsor disputes the election by a nonpurchasing tenant to be an eligible senior citizen or an eligible disabled person, Sponsor must apply to the Department of Law for a determination of the person's eligibility within 30 days following receipt of the election form.

(1) The application is timely if it is personally delivered to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005, during business hours or postmarked before midnight of the 30th day following receipt by the sponsor or agent of the election form.

(2) In the absence of fraud, an untimely application will not be entertained, in which case the tenant whose eligibility is disputed will be deemed eligible under the statute.

(3) The application shall include the following:

(i) one copy of the election form;

(ii) one original and one copy of an affidavit, sworn to by a person having knowledge of the facts, setting forth the following:

(a) that the application is timely in accordance with these regulations;

(b) the specific ground(s) for disputing the election; and

(c) the basis for the affiant's statement that the tenant is not an eligible senior citizen or eligible disabled person;

(iii) two copies of all supporting information or documentation in the possession of the sponsor or the affiant bearing on eligibility.

(4) The application must be complete at submission. The Department of Law need not consider any additional or supplemental information subsequently submitted by sponsor.

(5) The Department of Law shall notify the person that the sponsor disputes his or her election to be an eligible senior citizen or eligible disabled person and shall request him or her to submit an answer to the application on a form prescribed by the Department of Law and furnish information or documentation bearing on the specific grounds raised by sponsor to dispute the election.

(i) The answer and supporting documentation must be submitted to the Department of Law within 10 days of the date of the notice from the Department of Law. Failure to submit an answer shall not preclude the Department of Law from issuing a determination.

(6) The Department of Law may, in its discretion, require the attendance and giving of testimony by witnesses and the production of papers, documents, books and other evidence concerning the issues raised. A witness shall be notified that he or she may be represented by counsel.

(7) On the basis of evidence received, the Department of Law shall issue a written determination of eligibility.

(iii) Sale of units occupied by Eligible Senior Citizens and Eligible Disabled Persons.

(1) A unit occupied by an eligible senior citizen or eligible disabled person, or a person seeking exemption as an eligible senior citizen or eligible disabled person may not be offered to a third party during any exclusive purchase period granted to bona fide tenants in occupancy unless the sponsor, in writing, waives any right to challenge the eligibility of the occupant of the unit.

(2) Where the Sponsor has disputed the eligibility of a person seeking an exemption, the unit may not be offered to a third party for 30 days after the Department of Law has made its determination of eligibility. If a proceeding to review such determination is commenced under Article 78 of the Civil Practice Law and Rules in a court of competent jurisdiction, the unit may not be offered to a third party for 30 days after notice of entry of the final order in such proceeding. If such final determination or order finds that the person seeking the exemption is not an eligible senior citizen or eligible disabled person, such person may purchase the unit within 30 days thereafter on the most favorable terms offered to tenants in occupancy at any time prior thereto; provided, however, that if such final determination or order includes a finding that the exemption was sought fraudulently or in bad faith, such person may purchase the unit as provided in paragraph (3) of this subdivision.

(3) Notwithstanding an election not to purchase, an eligible senior citizen or eligible disabled person may purchase the unit on the terms then offered to tenants in occupancy.

(e) Additional Provisions

The estimated Residential Common Charges for each Unit for the first year of operation of the Building as a condominium are also set forth in Schedule A. Sponsor will endeavor in good faith to sell all of the Units, however, there is no certainty as to the period of time required to sell all of the Units. Sponsor may elect to rent Units from time to time.

Each Unit and its appurtenant Common Elements is being sold "as is" in the condition in which it exists on the date a Purchaser executes a Purchase Agreement for such Unit, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the

Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in this Plan. All equipment and furnishings described in the Plan as included in the Unit, are included in the purchase prices set forth on Schedule A. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations.

Each Purchaser of a Unit (but not the Sponsor) will be required to make a contribution to the Working Capital Fund of the Residential Section. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Residential Common Charges in effect at the time of closing for each Unit purchased. See the Section entitled "Working Capital Fund and Apportionments".

In addition to the payment of Residential Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity and gas consumed in his Unit.

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed to each Unit Owner. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owners as a Common Expense. The costs and expenses of central heat with respect to the Residential Section and the Non-Residential Section will be included in Residential Common Charges and Non-Residential Common Charges, respectively. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates.

This offering is restricted to individuals the age of eighteen (18) years or older, corporations, partnerships, limited liability companies, trusts, estates and other business entities that may hold title to real estate pursuant to New York Law. If the Purchaser is a trust, the Purchaser must, prior to executing a Purchase Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of the trust agreement, affidavit from trustee regarding the validity of the trust and all other information as may be required by Sponsor's attorney. If the Purchaser is a corporation or a limited liability company, the Purchaser must, property to executing a Purchase Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of the formation certificate, the corporate By-Laws, operating agreement and all other information as may be required by Sponsor's attorney.

So long as Sponsor owns at least one (1) Unsold Residential Unit, Purchaser hereby covenants and agrees that it shall not, (a) prior to Purchaser's acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease and (b) for a period of twelve (12) months after the acquisition of the Unit, sell the Unit without Sponsor's written approval. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the

Unit by Purchaser or its agents or representatives. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements.

5. **Applicable Rent Laws**

This Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the GBL which sets forth the procedure for converting Units to condominium ownership. Under the GBL, Sponsor may declare this Plan to be effective when Purchase Agreements have been executed for at least fifty one percent (51%) of the Units in the Building other than units occupied by tenants who have elected to be treated as an Eligible Senior Citizen or an Eligible Disabled Persons by bona fide tenants in occupancy on the Filing Date or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family will occupy the Unit when it becomes vacant. A Non-Purchasing Tenant of a Unit will not be evicted by reason of conversion of the Building to condominium ownership. There are no Units in the Building being offered for sale under this Plan that are subject to the Housing Security and Tenant Protection Act of 2019, New York City Rent Stabilization Law and Code, as amended, the Rent Regulation Reform Act of 1993 ("RRRA"), as amended pursuant to the Rent Regulation Reform Act of 1997, the Rent Law of 2003, the Rent Act of 2011, and the Rent Act of 2015 and the rent regulatory scheme or any codes, rules and regulations promulgated thereunder (collectively the "Rent Laws"). Any Eligible Tenant who purchases his Unit, like all other Unit Owners, will no longer be subject to, or have any rights afforded to, tenants under GBL Section 352-eeee. Any vacancy rental by a Unit Owner may be at free market rents. The status of each Unit under the Rent Laws is set forth in Schedule A. In addition, please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.

C. CERTAIN DEFINITIONS

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

"Adversely affect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) materially obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Agreement" or "Purchase Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is Exhibit 1 in Part II of the Plan.

"Amenities" refers to the items described in the Introduction section of the Plan entitled "Services and Facilities."

"Board" or "Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners, and the Non-Residential Unit Owner.

"Building" refers to the structures and improvements including above and below grade segments, known as "The Portland Condominium" located at 104-112 South Portland Avenue, New York, New York in which the Units of the Condominiums are located.

"Building Code" refers to the New York City Building Code.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"Cellar" refers to lower level of the Building.

"City Register's Office" refers to the Kings County office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to the Residential Unit in question is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Commercial Units" are also known as the Non-Residential Units.

"Commercial Unit Owner(s)" is also known as the Non-Residential Unit Owner(s).

"Common Charges" refer to assessments payable to the Condominium Board by the Unit

Owners for the purpose of meeting Common Expenses.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Units.

"Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's share of any distributions upon termination of the Condominium.

"Condominium" refers to The Portland Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9B.

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners, and the Non-Residential Unit Owners.

"CPI Increase Factor" refers to an increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

"Custom Work" shall mean any custom work requested by the Purchaser. See Special Risk 38.

"Custom Work Costs" shall mean the costs paid by Purchaser to complete the Custom Work. See Special Risk 38.

"Declarant" or "Developer" refers to Fulton Street Associates LP, a New York limited partnership, which is developing the Property.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Development Rights" refers to all excess Development Rights otherwise appurtenant to the Property to the extent available as of the recordation of the Declaration and any Development Rights granted to the Property in the future.

"Down Payment" is the portion(s) of the Purchase Price deposited by a Purchaser pursuant to the terms of a Purchase Agreement. At the time of execution of a Purchase Agreement, a Purchaser is required to make a Down Payment in an amount equal to the sum of ten percent (10%) of the Purchase Price.

"Eligible Disabled Person" is a non-purchasing tenant who has an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, and the spouse of any such tenant on such date, and who have elected, within sixty days of the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenant by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

"Eligible Senior Citizen" is a non-purchasing tenant who is sixty-two years of age or older on the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

"Eligible Tenant" is either (a) a bona fide tenant in occupancy as of the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Unit or the Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Unit from the bona fide tenant of record. The term "Eligible Tenant" shall not include the estate or legal representative of a bona fide tenant who was in occupancy of a Unit on the Filing Date who died on or after the Filing Date.

"Escrow Agent" refers to Holland & Knight LLP.

"Fannie Mae" refers to the Federal National Mortgage Association.

"FHA" refers to the Federal Housing Authority.

"Filing Date" refers to the date on which the Department of Law accepts the Plan for filing.

"First Annual Meeting" refers to a meeting of Residential Unit Owners called within thirty (30) days after the end of the Initial Control Period.

"First Closing", or words of similar import, refers to the date fee title to the first Residential Unit is conveyed to a bona fide Purchaser pursuant to the Plan.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, contained in Part II of the Plan.

"Force Majeure" or "Force Majeure Event" means any of the following events to the extent that such event, individually or together with any other such event, adversely affects the ability of the Sponsor to perform its duties: (i) an act of God, an earthquake, hurricane, tsunami, tornado, flood or other similar natural catastrophe, (ii) a strike, lockout, work stoppage, or failure of utility services that is not specific to the property, (iii) a building moratorium, or (iv) a riot, insurrection, terrorist act, civil disturbance, blockade, embargo, or war, in each case to the extent adversely affecting the delivery of materials to or the performance of work by the Sponsor; (v) an epidemic, pandemic or any other similar public health crisis, including, without limitation, the COVID-19 virus and any quarantine, shelter-in place order, lockdown, emergency declaration or any other governmental order, guidance or advisory and (vi) a stop work order or moratorium which legally precludes, prohibits or suspends the ability of the Sponsor to perform its obligations hereunder.

"GBL" refers to the New York General Business Law.

"Common Charges" refer to assessments payable to the Condominium Board by the Residential Unit Owners and the Non-Residential Unit Owners for the purpose of meeting General Common Expenses.

"General Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Units, the Residential Common Elements, the Non-Residential Common Elements and the Limited Common Elements.

"General Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the closing of title by Sponsor or its designees of Residential Units representing more than 50% of the Common Interests or (ii) five (5) years after the First Closing.

"Land" refers to the Property, other than the Building and the appurtenances thereto.

"Law" or "Legal Requirements" means the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the

Units, and/or the direction of any public officer pursuant to any such laws, and to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Limited Common Elements" refer to those Common Elements serving some, but not all, of the Unit Owners, including the Residential Limited Common Elements and Non-Residential Common Elements.

"Lobby" refers to the portion of the First Floor of the Building, which contains the entrance to the Residential Section.

"Managing Agent" refers to the managing agent or manager of the Condominium.

"Mansion Tax" refers to the New York State Additional Tax pursuant to Article 31 of the Tax Law.

"Non-Purchasing Tenant" refers to a person who has not purchased a Unit pursuant to this Plan and who is a tenant entitled to possession at the time this Plan is declared effective or a person to whom a Unit is rented by Sponsor subsequent to the Effective Date of the Plan. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant.

"Non-Tenant Purchaser" refers to a purchaser who is not a tenant.

"Non-Residential Common Charges" refers to assessments payable by the Non-Residential Unit Owners for the purpose of meeting the Non-Residential Unit Owners' pro rata share of General Common Expenses.

"Non-Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners.

"Non-Residential Common Expenses" refers to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Non-Residential Common Elements, if any.

"Non-Residential Section" refers to the Non-Residential Units and Non-Residential Common Elements.

"Non-Residential Units" refers to the Non-residential Units, and, to the extent the Non-Residential Units are further divided, the Non-Residential Units shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Non-Residential Unit Owner(s)" refers to the owner or owners of the Non-Residential Units.

"Offered Units" refers to the Residential Units being offered for sale by the Sponsor.

"Original Scheduled Closing Date" refers to the date scheduled by the Sponsor for the Purchaser's closing.

"Part 23 Plan" is a plan that is being submitted pursuant to Section 23.3(s) of Title 13 NYCRR.

"Payment" and "Down Payment" refers to the Down Payment due to purchase a Unit.

"Permitted Encumbrances" refer to those title encumbrances on a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement set forth in Part II of the Plan.

"Permitted Mortgage" refers to (i) any mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws, for which notice has been provided to the Board (except that no notice shall be required to be provided by any Permitted Mortgagee of Declarant), and (ii) any pledge of direct or indirect ownership interests in the Sponsor/Declarant or the Non-Residential Unit Owner, as applicable, to secure mezzanine financing or preferred equity financing.

"Permitted Mortgagee" shall mean each holder of a Permitted Mortgage.

"Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

"Plan" or "Offering Plan" refers to this offering plan for the establishment of condominium ownership, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans and specifications for the Building which (to the extent required by Law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Presentation Date" refers to the date on which this Plan or an amendment thereto, as the case may be, is personally delivered, or the fifth day after mailing to the tenants in occupancy of Units in the Building, following acceptance of this Plan or an amendment thereto, for filing by the Department of Law.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchase Agreement" or "Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is Exhibit 1 in Part II of the Plan.

"Purchase Price" means the purchase price for a Residential Unit.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in an Agreement which

has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

"Rent Laws" refers to (i) the New York City Rent Stabilization and Rent Control Laws and the Code adopted pursuant thereto, (ii) the New York State General Business Law, Section 352-eeee, (iii) the Rent Regulation Reform Act of 1993 ("RRRA"), as amended pursuant to the Rent Regulation Reform Act of 1997, the Rent Law of 2003, the Rent Act of 2011, and the Rent Act of 2015, (iv) Housing Security and Tenant Protection Act of 2019, and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Building.

"Reserve Fund" refers to the fund that must be established by Sponsor in accordance with the Reserve Fund Law, to be used exclusively for making capital repairs, replacements, and improvements necessary for the health and safety of the residents and occupants of the Condominium.

"Residential Common Expenses" refers to capital repairs, additions, improvements, alterations and restorations to the Residential Section, which will be borne solely by the Residential Unit Owners.

"Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners.

"Residential Limited Common Elements" refer to those Common Elements which serve or benefit exclusively one or more but not all of the Residential Units and/or the Residential Unit Owners.

"Residential Section" refers to the Residential Common Elements, the Residential Limited Common Elements and the Residential Units.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" refers to any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owners."

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Rules and Regulations" refer to the rules and regulations of the Condominium, as annexed as Schedule A to the By-Laws, which may be amended from time to time.

"Schedule A" refers to "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

"Schedule B" refers to the projected "Budget for First Year of Condominium Operation, Schedule B" set forth in Part I of the Plan.

"Selling Agent" refers to the Sponsor or any successor selling agent at the time in question.

"Sponsor" refers to Fulton Street Associates LP, a New York limited partnership, and its successors and assigns.

"Sponsor and/or its designee"; or similar phrases refers to Sponsor, any affiliate of Sponsor or a designee of Sponsor. An affiliate of Sponsor shall be deemed to be (i) a person or entity who or which owns 25% or more of the legal or beneficial interest of Sponsor or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest. Sponsor shall not be deemed to include a selling agent who has complied with Section 359-e of the GBL or an attorney or other expert retained by Sponsor solely to render Non-Residential advice or opinions in connection with this offering. Sponsor shall also be deemed to include Owners of at least ten (10) units or 20% of the total number of the Units in the Condominium, whichever is less, which are not purchased for occupancy by the Owner or one or more members of his or her immediate family; such Sponsor will be deemed, however, to be a Sponsor with the obligations of a Sponsor only in relationship to the Units which such Sponsor owns.

"Superintendent" refers to the superintendent of the Building.

"Time Being of the Essence" or "Time of the Essence" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an event of default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

"Title Insurance Company" refers to Ridge Abstract Corp.

"Total Offering" refers to the total sales price of the Residential Units described on the cover of the Plan.

"Unavoidable Delays" refer to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, terrorist acts, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove state; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements. All of such Units are collectively referred to as "Units."

"Unit Deed" refers to the form of unit deed set for as Exhibit 5 in Part II of the Plan.

"Unit Owner" refers to the owner of any Residential Unit or Non-Residential Unit, and all of such Residential Unit Owners and Non-Residential Unit Owner are collectively referred to as the "Unit Owners."

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. **The Building**

The Building is a four story building inclusive of roof levels located on the Land, situated on the intersection of South Portland Avenue and Fulton Street located on Block 2114, Lot 23 on the Tax Map of the Borough of Brooklyn containing 36,047 square feet.

The existing Building contains forty four (44) Residential Units and two (2) Non-Residential Units. There is also the Super's Unit on the First Floor. The Building contains four residential entrances one on each side of the Building. The Superintendent's Workshop, boiler, plumbing, mechanical, electrical and other service areas are located in portions of the cellar level, and/or the roof of the Building.

The location in the Building, and the size, layout and approximate square footages of the Units, within reasonable tolerances, are shown on the Floor Plans duplicated in Exhibit 8 of Part II of the Plan. Such Floor Plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered by the tenants thereof or others, and no variation will affect a Purchaser's obligations under his or her Purchase Agreement or the Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an immaterial inaccuracy or error in the Floor Plans. Changes to the Plans and Specifications will be disclosed in an amendment to the Plan; however, a material change may affect Purchaser's obligations and may trigger a right of rescission. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Purchase Agreement and any and all other claims against Sponsor resulting from alleged immaterial discrepancies in square footage calculations.

The Building incorporates mechanical equipment necessary for the maintenance and operation of the Building and the Units. The Condominium Board, with respect to such mechanical equipment which is a Common Element, will be responsible for making sure the mechanical equipment is operated in accordance with Legal Requirements, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding, the level of noise or odors resulting from the operation of the Building or the Units.

The Building has been a residential apartment building. Sponsor has no actual knowledge of any environmental issues affecting the Building. Additionally, there is currently no construction at the Building. As such, there is no tenant protection plan in place.

2. **Residential Units**

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of forty-four (44) Residential Units for sale situated on Floors 1-4 of the Building. The Super's Unit is located on the first floor. Detailed descriptions of the Residential Units are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A for further details.

Except as otherwise agreed by the parties, the Residential Units will be delivered to Purchasers in as-is condition on the date the Purchase Agreement is signed subject to reasonable wear and tear. Each Purchaser will be obligated to do all other painting and decorating of his or her Residential Unit at his or her own cost and expense.

Included in the sale of each Residential Unit are the following: refrigerator/freezer, kitchen cabinets and gas ranges. As more fully set forth under the Section entitled "Description of Property and Improvements" these fixtures, appliances and equipment are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Residential Unit or to do Custom Work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

A Residential Unit Owner may only use his or her Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local Codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Residential Unit Owner use his Residential Unit for a use violative of the By-Laws or the deed restrictions which are described in this Plan. Residential Units cannot be leased for terms shorter than one year.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Residential Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the Purchase Price of his or her Residential Unit or be otherwise relieved from performing his or her obligations under the Agreement as a result of minor or non-material inaccuracy or error in the floor plans for such Residential Unit as set forth in Part II of the Plan.

In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit.

3. **Non-Residential Units**

The Non-Residential Units currently consists of two stores which occupy a portion of the First Floor and which spaces may be subject to change. The Non-Residential Units will include spaces that may be utilized for any lawful purpose. The Non-Residential Units will not have the right to use such Unit for any of the prohibited uses set forth in the By-Laws and a non-Sponsor controlled Board does not have the right to amend the By-Laws to permit any of the prohibited uses.

The Board will have no right to restrict or limit the method of operation or any uses or appearance of the Non-Residential Units, which are permitted by Law and/or applicable zoning ordinances, except as otherwise provided in the By-Laws. No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Board without the prior written consent of the affected Non-Residential Unit Owners. All or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owners, as more fully set forth in the Declaration. Subject to compliance with all applicable Laws and governmental rules and regulations, if any, the Non-Residential Units may be sold without prior notice. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Units.

Sponsor and the Non-Residential Unit Owner have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Non-Residential Unit or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time. No representation is made as to the uses to which any portion of the Non-Residential Units may be put at any time (except that the Non-Residential Units may be used for any lawful purpose or as otherwise limited by the Plan). The use of the Non-Residential Units may generate noise or other disturbances over which the Residential Unit Owners will have no control.

The Non-Residential Units may be divided by the Non-Residential Unit Owners. Any such sale or division by the Non-Residential Unit Owners shall be fully disclosed in a duly filed amendment to the Plan. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Units.

In the event that Sponsor decides to sell the Non-Residential Units, Sponsor will seek a "no-action" letter from the Office of the Attorney General. Any sale of a Non-Residential Unit will be disclosed in a duly filed amendment.

4. **General Common Elements**

Generally, the General Common Elements consist of all Common Elements other than the Residential Common Elements, Residential Limited Common Elements and Non-

Residential Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Non-Residential Section, which are not Residential Common Elements, Residential Limited Common Elements, Non-Residential Common Elements or part of any Unit; and (g) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of both the Non-Residential Section and the Residential Section. A detailed description of the General Common Elements is set forth in the Declaration.

5. **Residential Common Elements**

Generally, the Residential Common Elements include, among other things, the following: (a) the Residential vestibule and service corridor and the mailboxes on the First Floor of the Building; (b) laundry rooms (c) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (d) electric panels, closets, feeders and risers serving the Residential Section; (e) the service vestibule and trash chutes servicing each of the Floors; (f) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Non-Residential Common Elements, or part of any Unit; and (g) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units.

6. **Residential Limited Common Elements**

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners such as the recreational rooms appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such area is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

7. **Non-Residential Common Elements**

The Non-Residential Common Elements are generally those Common Elements which serve or benefit exclusively the Non-Residential Units, and the Non-Residential Unit Owners, and include but are not limited to those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the Non-Residential Units, the Non-Residential Unit Owners, or which are necessary or convenient for the existence, maintenance, operation or safety of the Non-Residential Units.

8. **Services and Facilities**

Generally, all services normally associated with the operation and maintenance of a residential condominium will be provided to Residential Unit Owners at no cost other than Common Charges; these services and facilities are described below. There will be a variety of other services offered which will be available to Residential Unit Owners at their option. Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. Entrance

The Residential Section and Non-Residential Units will have entrances on South Portland Avenue and Fulton Street.

b. Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. At the present time the two primary cable television providers are Charter Communications Holding Company (d/b/a "Spectrum") and Verizon Communications (the "Cable Companies"). Additional cable service (i.e., Home Box Office or Showtime) will also be available from the Cable Companies providing the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit.

c. Electrical Systems Telephone Service and Internet Access

Electrical service will be submetered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by Verizon or other telephone service provider and separately billed to each Unit Owner. Each Residential Unit will be prewired for data and telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider.

d. Mail & Packages

All incoming mail for the Residential Units will be delivered by the United States Postal Service, who will place it in mailboxes on the First Floor.

e. Laundry

There is an existing laundry room located in the Cellar of the Building.

9. **General Provisions Concerning Services and Facilities**.

No representation or warranty is made as to the continued operation of any of the foregoing services or facilities and neither Sponsor nor the Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor.

In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service. However, all services required by Law will be provided at all times. During the Initial Control Period, Sponsor will not diminish the services and facilities provided in the Plan after such services and facilities are made available. Neither Sponsor, the Managing Agent, the Selling Agent, nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

The Board has complete discretion in determining how those facilities that are owned/controlled by the Board will be operated, maintained or modified, whether facilities should be added or discontinued, and the rates to be charged for their use. No representation or warranty is made as to the continued operation or existence of any of the foregoing facilities, or the amount of the fees charged therefore.

10. **Security Procedures**

The Board is vested with the responsibility of devising and carrying out security procedures with respect to the Residential Section. Such procedures may be adopted and from time to time changed by the Board as such Board, in its discretion, determines to be appropriate to secure the Building.

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

negligence of Sponsor or its designees, the Managing Agent or their respective agents. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in the Fort Greene neighborhood in the Borough of Brooklyn in the City and State of New York. New York City is one of the largest cities in the United States, as well as one of the principal urban centers of the world. Brooklyn has numerous business, regional transportation, cultural activities, recreational and open-space park areas, educational facilities, medical centers and an array of restaurants.

2. Surrounding Area

The Building is located in the Fort Greene neighborhood of Brooklyn. The area includes residential apartments, schools, commercial offices, shopping and restaurants.

3. Shopping, Commercial and Recreational Facilities

There are luxury residences, art galleries, hotels, schools, nightlife, churches and retail establishments all within close proximity to the Condominium. There is a wide variety of commercial establishments located near the premises including pharmacies, groceries, banks, restaurants and other stores. Numerous attractions are located within easy access to the Condominium. Among them are the Barclays Center, Brooklyn Academy of Music, Fort Greene Park, the Brooklyn Museum and Brooklyn Botanic Garden. The Condominium is also near many fine dining restaurants, active nightlife, and high end shopping.

4. Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Condominium. The public schools in the area include: Brooklyn Technical High School, located at 29 Fort Greene Place; MS 113 Ronald Edmonds Learning Center, located at 300 Adelphi Street; and Brooklyn High School for the Arts, located at 345 Dean Street. The private schools in the area include: Brooklyn Independent Middle School, located at 38 Lafayette Avenue; Brooklyn Free School, located at 372 Clinton Avenue; and MUSE Academy, located at 126 St. Felix Street.

SPONSOR MAKES NO REPRESENTATION AS TO WHICH PUBLIC SCHOOL OR PRIVATE SCHOOL THE CHILDREN WHO LIVE IN THE BUILDING WILL ATTEND.

The educational facilities within close proximity to the Condominium include St. Joseph's College, Long Island University and Pace University, and are diverse enough to satisfy every age group, including individuals interested in post-graduate classes.

5. Transportation

New York City is served by three major airports - LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street; Harlem-125th Street

Station, located at Park Avenue and 125th Street; and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building and through New York City is available by taxi, limousine and private automobile. Public transportation via subways and buses is also readily available. Subway lines A and C are accessible at the Lafayette Avenue Subway Station. Subway line G is accessible at the Fulton Street Subway Station. In addition, the area is serviced by the following bus lines: B25, B26, B38, B45, B52 and B67. There exist a number of commercial parking garages located nearby.

6. Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance

These services (except the postal service)f are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises is located in the 78th Precinct, with the nearest Police station located at 65 6th Avenue. The closest fire house is Engine 219, Ladder 105, with the nearest station located at 494 Dean Street. Water charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 11217, to which, as of the date hereof, the closest post office is the Times Plaza Station, located at 542 Atlantic Avenue.

7. Medical Facilities

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Condominium, including The Brooklyn Hospital Center – Downtown Campus, located at 121 Dekalb Avenue, and New York-Presbyterian Brooklyn Methodist Hospital, located at 506 6th Street. The Condominium is also within easy access to some additional medical facilities in the New York area, including the Memorial Sloan Kettering Cancer Center and the Hospital for Special Surgery.

8. Religious Facilities

Local houses of worship include, but are not limited to, the following: Forefront Church Brooklyn, located at 509 Atlantic Avenue; The Temple of Restoration, located at 490 Pacific Street; Chabad Fort Greene, located at 341B Grand Avenue; Masjid Al-Ihsaan, located at 977 Fulton Street; and Union Temple House of CBE, located at 17 Eastern Parkway.

SPONSOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONTINUED EXISTENCE OR LOCATION OF ANY NEIGHBORHOOD SERVICES OR AMENITIES.

9. Zoning and Use

The Property is situated on Block 2114 in Brooklyn. It is located in an R7-A/R6-B zoning district with a C2-4 commercial overlay. R7-A districts encourage high lot coverage (seven- to nine-story apartment buildings) to blend with existing buildings in established neighborhoods. The Quality Housing regulations are mandatory in R7-A districts. The maximum FAR for R7-A districts is 4.0. Off-street parking is generally required for 50% of the dwelling units of a building, but certain areas are further modified and have lower requirements. Some off-

street parking requirements may also be waived.

R6-B districts often feature row houses set back from the street with stoops. The maximum FAR for R6-B districts is 2.0 and the Quality Housing regulations are mandatory. Off-street parking is generally required for 50% of a building's dwelling units, but certain areas are further modified and have lower requirements. Some off-street parking requirements may also be waived.

C2-4 commercial overlays are mapped along streets that serve retail needs within residential districts. Typical retail uses in C2-4 overlay districts include grocery stores, restaurants, beauty parlors, funeral homes and repair services. In mixed buildings, commercial uses are limited to one or two floors and must be located below the residential use. When located within R6 through R10 districts, the maximum commercial FAR is 2.0. One off-street parking space per 1,000 square feet is required in C2-4 commercial districts.

See Chapter 2 of the NYC Zoning Resolution for more information about uses in R7A/R6B/C2-4 districts, available at:

https://zr.planning.nyc.gov/sites/default/files/article/Zoning%20Resolution%20Complete.pdf

Pursuant to the applicable FEMA Flood Map, the Property is located in Flood Zone X, which is indicative of minimal flood risk.

Further information regarding New York City FEMA Flood Maps is available at:

https://r2-coastal-fema.hub.arcgis.com/

10. Other Sponsor Projects

There are no other projects by the Sponsor within the immediate vicinity (i.e., one block radius), and no other development projects by Sponsor that have been approved by the NYC Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the Property. Any change in this information that occurs while sales are continuing will be disclosed in an amendment within 30 days after the information is known.

11. Future Developments

Neither Sponsor nor the principal of Sponsor own, in whole or part, or have an option or right to acquire, in whole or part, any adjacent areas which are not fully developed. As of the date hereof, neither Sponsor or its principal are involved in development projects that have been approved by the Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the property. In the event that Sponsor or its principal do become involved in any such development projects, Sponsor shall disclose such changes in an amendment to the Plan within 30 days after the information is known.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

SCHEDULE A
The Portland Condominium
104-112 South Portland Avenue, Brooklyn, New York

PURCHASE PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
FIRST YEAR OF CONDOMINIUM OPERATION JULY 1, 2026 - JUNE 30, 2027

(1) UNIT	(1) DESCRIPTION	No. of BEDRMS/BATHS	(2) STATUS	(3) APPROX UNIT SQUARE FOOTAGE	(4) OFFERING PRICE	(4) INSIDER OFFERING PRICE	(5) RESIDENTIAL COMMON INTEREST	5.1 COMMON INTEREST	5.2 COMMERCIAL COMMON INTEREST	(6) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED ANNUAL COMMON CHARGES	(7) PROJECTED MONTHLY RE TAXES	(7) PROJECTED ANNUAL RE TAXES	(8) PROJ TOT MONTHLY CARRYING CHARGES
104/1A *	1 Bdrm Duplex 1.5 Bath	1/1.5	Employee	583	N/A	N/A	1.83%	1.67%		$ 601.36	$7,216.27	$ 697.86	$8,374.31	$ 1,299.21
104/2A	1 Bedroom	1/1	FM	734	$551,000	$523,000	2.31%	2.10%		$ 757.11	$9,085.32	$ 878.61	$10,543.30	$ 1,635.72
104/2B	1 Bedroom	1/1	VACANT	811	$658,000	$628,000	2.55%	2.32%		$ 836.53	$10,038.41	$ 970.78	$11,649.34	$ 1,807.31
104/3A	1 Bedroom	1/1	FM	734	$551,000	$523,000	2.31%	2.10%		$ 757.11	$9,085.32	$ 878.61	$10,543.30	$ 1,635.72
104/3B	1 Bedroom	1/1	FM	811	$608,000	$578,000	2.55%	2.32%		$ 836.53	$10,038.41	$ 970.78	$11,649.34	$ 1,807.31
104/4A	1 Bedroom	1/1	FM	734	$551,000	$523,000	2.31%	2.10%		$ 757.11	$9,085.32	$ 878.61	$10,543.30	$ 1,635.72
104/4B	1 Bedroom	1/1	FM	811	$608,000	$578,000	2.55%	2.32%		$ 836.53	$10,038.41	$ 970.78	$11,649.34	$ 1,807.31
108/1A	1 Bdrm Duplex 2.0 Bath	1/2	VACANT	916	$707,000	$673,000	2.88%	2.62%		$ 944.84	$11,338.09	$ 1,096.46	$13,157.57	$ 2,041.31
108/1B	Garden Studio Deluxe	0/1	FM	598	$449,000	$426,000	1.88%	1.71%		$ 616.83	$7,401.94	$ 715.81	$8,589.77	$ 1,332.64
108/1C	Studio	0/1	FM	556	$417,000	$396,000	1.75%	1.59%		$ 573.51	$6,882.07	$ 665.54	$7,986.48	$ 1,239.05
108/1D	1 Bdrm Duplex 1.5 Bath	1/1.5	FM	943	$717,000	$682,000	2.96%	2.69%		$ 972.69	$11,672.29	$ 1,128.78	$13,545.41	$ 2,101.47
108/2A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
108/2B	1 Bedroom	1/1	FM	696	$522,000	$496,000	2.19%	1.99%		$ 717.91	$8,614.96	$ 833.12	$9,997.46	$ 1,551.04
108/2C	2 Bedroom	2/2	FM	1,034	$796,000	$757,000	3.25%	2.95%		$ 1,066.56	$12,798.67	$ 1,237.71	$14,852.55	$ 2,304.27
108/2D	1 Bedroom	1/1	VACANT	595	$466,000	$444,000	1.87%	1.70%		$ 613.73	$7,364.80	$ 712.22	$8,546.68	$ 1,325.96
108/3A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
108/3B	1 Bedroom	1/1	FM	696	$522,000	$496,000	2.19%	1.99%		$ 717.91	$8,614.96	$ 833.12	$9,997.46	$ 1,551.04
108/3C	2 Bedroom	2/2	FM	1,034	$776,000	$737,000	3.25%	2.95%		$ 1,066.56	$12,798.67	$ 1,237.71	$14,852.55	$ 2,304.27
108/3D	1 Bedroom	1/1	FM	595	$461,000	$439,000	1.87%	1.70%		$ 613.73	$7,364.80	$ 712.22	$8,546.68	$ 1,325.96
108/4A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
108/4B	1 Bedroom	1/1	FM	696	$522,000	$496,000	2.19%	1.99%		$ 717.91	$8,614.96	$ 833.12	$9,997.46	$ 1,551.04
108/4C	2 Bedroom	2/2	FM	1,034	$796,000	$757,000	3.25%	2.95%		$ 1,066.56	$12,798.67	$ 1,237.71	$14,852.55	$ 2,304.27
108/4D	1 Bedroom	1/1	FM	595	$446,000	$424,000	1.87%	1.70%		$ 613.73	$7,364.80	$ 712.22	$8,546.68	$ 1,325.96
112/1A	1 Bdrm Duplex 1.5 Bath	1/1.5	FM	903	$677,000	$643,000	2.84%	2.58%		$ 931.43	$11,177.17	$ 1,080.90	$12,970.84	$ 2,012.33
112/1B	Garden Studio Deluxe	0/1	FM	596	$447,000	$425,000	1.87%	1.70%		$ 614.77	$7,377.18	$ 713.42	$8,561.04	$ 1,328.19
112/1C	Garden Studio Deluxe	0/1	FM	607	$455,000	$432,000	1.91%	1.73%		$ 626.11	$7,513.34	$ 726.58	$8,719.05	$ 1,352.70
112/1D	1 Bdrm Duplex 2.0 Bath	1/2	FM	984	$738,000	$701,000	3.09%	2.81%		$ 1,014.98	$12,179.78	$ 1,177.86	$14,134.34	$ 2,192.84
112/2A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
112/2B	1 Bedroom	1/1	FM	692	$519,000	$493,000	2.17%	1.98%		$ 713.79	$8,565.45	$ 828.33	$9,940.00	$ 1,542.12
112/2C	1 Bedroom	1/1	FM	745	$559,000	$531,000	2.34%	2.13%		$ 768.46	$9,221.48	$ 891.78	$10,701.30	$ 1,660.23
112/2D	Studio	0/1	FM	451	$338,000	$321,000	1.42%	1.29%		$ 465.20	$5,582.40	$ 539.85	$6,478.24	$ 1,005.05
112/3A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
112/3B	1 Bedroom	1/1	FM	692	$519,000	$493,000	2.17%	1.98%		$ 713.79	$8,565.45	$ 828.33	$9,940.00	$ 1,542.12
112/3C	1 Bedroom	1/1	FM	745	$559,000	$531,000	2.34%	2.13%		$ 768.46	$9,221.48	$ 891.78	$10,701.30	$ 1,660.23
112/3D	Studio	0/1	FM	451	$358,000	$341,000	1.42%	1.29%		$ 465.20	$5,582.40	$ 539.85	$6,478.24	$ 1,005.05

(1) UNIT	(1) DESCRIPTION	No. of BEDRMS/BATHS	(2) STATUS	(3) APPROX UNIT SQUARE FOOTAGE	(4) OFFERING PRICE	(4) INSIDER OFFERING PRICE	(5) RESIDENTIAL COMMON INTEREST	5.1 COMMON INTEREST	5.2 COMMERCIAL COMMON INTEREST	(6) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED ANNUAL COMMON CHARGES	(7) PROJECTED MONTHLY RE TAXES	(7) PROJECTED ANNUAL RE TAXES	(8) PROJ TOT MONTHLY CARRYING CHARGES
112/4A	Studio	0/1	FM	423	$317,000	$301,000	1.33%	1.21%		$ 436.32	$5,235.82	$ 506.34	$6,076.04	$ 942.66
112/4B	1 Bedroom	1/1	FM	692	$519,000	$493,000	2.17%	1.98%		$ 713.79	$8,565.45	$ 828.33	$9,940.00	$ 1,542.12
112/4C	1 Bedroom	1/1	FM	745	$559,000	$531,000	2.34%	2.13%		$ 768.46	$9,221.48	$ 891.78	$10,701.30	$ 1,660.23
112/4D	Studio	0/1	FM	451	$338,000	$321,000	1.42%	1.29%		$ 465.20	$5,582.40	$ 539.85	$6,478.24	$ 1,005.05
680/2A	1 Bedroom	1/1	FM	864	$648,000	$616,000	2.71%	2.47%		$ 891.20	$10,694.44	$ 1,034.22	$12,410.64	$ 1,925.42
680/2B	1 Bedroom	1/1	FM	913	$685,000	$651,000	2.87%	2.61%		$ 941.75	$11,300.95	$ 1,092.87	$13,114.48	$ 2,034.62
680/3A	1 Bedroom	1/1	FM	864	$648,000	$616,000	2.71%	2.47%		$ 891.20	$10,694.44	$ 1,034.22	$12,410.64	$ 1,925.42
680/3B	1 Bedroom	1/1	FM	913	$685,000	$651,000	2.87%	2.61%		$ 941.75	$11,300.95	$ 1,092.87	$13,114.48	$ 2,034.62
680/4A	1 Bedroom	1/1	FM	864	$658,000	$626,000	2.71%	2.47%		$ 891.20	$10,694.44	$ 1,034.22	$12,410.64	$ 1,925.42
680/4B	1 Bedroom	1/1	FM	913	$685,000	$651,000	2.87%	2.61%		$ 941.75	$11,300.95	$ 1,092.87	$13,114.48	$ 2,034.62
680 / Store 1	Commercial			2,287	$1,830,000	$1,830,000		6.53%	71.96%	$ 2,007.09	$24,085.12	$ 2,016.90	$24,202.76	$ 4,023.99
680 / Store 2	Commercial			891	$713,000	$713,000		2.55%	28.04%	$ 781.95	$9,383.40	$ 785.77	$9,429.24	$ 1,567.72
RESIDENTIAL TOTAL		**44**		**31,829**	**23,620,000**	**22,449,000**	**100.0%**	**90.92%**	**0.00%**	**32,831**	**393,974**	**38,100**	**457,197**	**70,931**
NON RESIDENTIAL TOTAL		**2**		**3,178**	**2,543,000**	**2,543,000**	**0.00%**	**9.08%**	**100.00%**	**2,789**	**33,469**	**2,803**	**33,632**	**5,592**
GRAND TOTAL		**46**		**35,007**	**26,163,000**	**24,992,000**	**100.00%**	**100.00%**	**100.00%**	**35,620**	**427,442**	**40,902**	**490,829**	**76,523**

*Resident Manager's Foot-Notes
FM- Free Market
V- Vacant

NOTES TO SCHEDULE A

1. Amounts are projected on the assumption that the first year of operation will be during the year from July 1, 2026 to June 30, 2027. The actual first year of Residential Section operation may begin earlier or later than that year and is currently projected to commence on approximately July 1, 2026. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

   The number of bedrooms and bathrooms for each Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York.

2. "Free Market" or "FM" denotes market rate and occupied by a market rate tenant. All occupied Units are also subject to GBL Section 352-eeee. Vacant denotes market rate and unoccupied.

   Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material change (for example, a reduction in square footage in excess of 5%) will be made in the size, configuration, or layout of a Unit for which an Agreement has been executed unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Down Payment(s), together with all interest earned thereon. A decrease in the square footage of a Unit of 5% or less will not affect Purchaser's obligations unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. An increase in the size of a room or Unit will not on its own give rise to a right of rescission.

3. The approximate floor area of each Unit has been measured horizontally from the outside face of the exterior walls of the Building to (a) the centerline of drywall or masonry partition separating one Unit from another Unit, (b) the corridor side of any corridor walls, (c) the centerline of the drywall or masonry partitions enclosing common element stairs, and (d) the centerline of any common element shafts, and other mechanical equipment rooms. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit. Outdoor floor areas of Back Yards or

other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas. Dimensions measured from exterior walls may not accurately represent the interior space in the Unit and may exaggerate such interior space by as much as five percent (5%).

Each Unit is measured vertically from the top of the floor to the underside of the ceiling. Common Elements located within a Unit shall not be considered part of such Unit but are included in the measured area of each Unit. Back Yards are measured horizontally from (a) the outside face of exterior walls or glazing of the building to (b) the outside face of the exterior parapet and (c) the outside face of exterior fences.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly lesser actual useable floor area for each Unit). The stated method of measurement used is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums.

4. THESE PRICES HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. The purchase prices and other terms of the Agreements may be subject to negotiation with Sponsor. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction (see the section of the Plan entitled "Changes in Prices and Units"). In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two month's common charges to the Working Capital Fund of the Condominium, which can only be used for initial closing costs incurred by the Condominium and repairs and replacements to the Residential Common Elements. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

5. The respective Percentage Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(l)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such change involves the inclusion, in the Unit,

of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Residential Units, the Common Elements of all of the Units may change slightly.

6. The estimated monthly Residential Common Charges for each Residential Unit are based on the projected "Budget for First Year of Condominium Operation, Schedule B" prepared by Sponsor's Condominium Budget Expert. The estimated monthly Residential Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Residential Unit Owner will be responsible for real estate taxes for such Residential Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Unit which will be separately submetered and payable by the Residential Unit Owners to the Condominium Board, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, alterations and restorations to Residential Section are Residential Common Expenses which will be borne solely by the Residential Unit Owners. The first year of operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of operation may not be indicative of subsequent years.

   As discussed in the Section entitled "Available Services and Facilities" above and in Special Risk entitled "Interim Service Period", the full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed.

7. It is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $490,830.00, based on an opinion prepared by Goldberg Weprin Finkel Goldstein LLP (Sponsor's real estate tax counsel), dated January 30, 2025 which assumes (a) an estimated taxable assessed valuation attributable to the entire Property of $3,906,948 for the 2026/2027 fiscal tax year, b) an estimated taxable assessed valuation attributable to the entire Property of $3,498,739 for the 2027/2028 fiscal tax year, and (c) a projected residential tax rate of 12.594%. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the first tax year after completion of construction and second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. It is estimated in the opinion of letter of Goldberg Weprin Finkel Goldstein LLP, that for the second year of Condominium operation the residential units' real estate taxes is estimated to be $490,830.00.

   SPONSOR AND THEIR REAL ESTATE TAX COUNSEL MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE REAL ESTATE TAXES WILL BE AS PROJECTED OR THAT THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

   The estimate of the taxes for each Residential Unit has been determined by multiplying the

total taxes due with respect to the Residential Units by a percentage derived by multiplying the estimated assessed value for the Residential Units by their percentage Common Interest. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Goldberg Weprin Finkel Goldstein LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes. In order to determine the Unit's Real Estate Taxes at any time after the Condominium if formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www1.nyc.gov/site/finance/taxes/calculating-your-property-taxes.page.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Residential Unit assessments on the basis of each Residential Unit's percentage interest in the Common Elements; (ii) that $3,906,948.00 will be the total taxable assessed value for fiscal tax year 2026/2027; (iii) that $3,498,739.00 will be the total taxable assessed value for fiscal tax year 2027/2028 of which it is estimated that $440,561.00 will be attributable to the residential units; or (iv) that the tax rate for residential property will 12.594%.

See the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and the Tax Opinion of Holland & Knight LLP in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit.

No warranty, guarantee or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the date of completion of construction of the Building) will approximate the actual amount;

(ii) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that such department will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

(iii) any of the projections or estimates made above and in Schedule A are accurate.

Until the Units are separately assessed, each Unit Owner will pay to the Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will likely be made by first allocating the Property's taxes among the Units on basis of proportionate Common Interest. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See the Section entitled "Collection and Lien for Non-Payment of Common Charges" in Part I of the Plan for further discussion.)

Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units on some other basis rather than its relative Common Interest, and, if so, Units having the same or similar Common Interest may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax expert and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount or allocation of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax Laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

G. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B

SCHEDULE B
PROJECTED FIRST YEAR OF OPERATION
AT
THE PORTLAND CONDOMINIUM
FOR THE YEAR JULY 1, 2026 TO JUNE 30, 2027

PROJECTED INCOME (1)	
Residential Common Charges	$393,973.73
Commercial Common Charges	$33,468.52
Laundry Income	$14,238.00
	$441,680.25
TOTAL EXPENSES	

	PROJECTED EXPENSES	**Residential**	**Commercial**	**Total**
	Electric (2)	$10,862.00	$1,085.00	$11,947.00
	Water and Sewer Charge (3)	$25,945.00	$0.00	$25,945.00
	Gas (4)	$33,204.00	$3,316.00	$36,520.00
	Insurance (5)	$37,277.07	$3,722.93	$41,000.00
*	Repairs, Maintenance, Supplies (6)	$37,053.00	$3,033.00	$40,086.00
	Legal/Accounting (7)	$21,820.00	$2,180.00	$24,000.00
	Bid Tax (8)	$0.00	$8,442.00	$8,442.00
	Unit 1A Real Estate Taxes (9)	$7,614.00	$760.00	$8,374.00
	Labor (10)	$112,311.00	$0.00	$112,311.00
	Management (11)	$51,279.00	$5,121.00	$56,400.00
	Contingency (10.%) (12)	$33,736.51	$2,765.99	$36,502.50
	Reserve Fund (10%) (13)	$37,110.16	$3,042.59	$40,152.75
		$408,211.73	$33,468.52	$441,680.25

NET INCOME $0

***Note: All figures are rounded to the nearest dollar**

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

Amounts are projected on the assumption that the first year of condominium operation will be the year from 7/1/26 to 6/30/27. The actual first year of condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the second year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their deposits returned, together with interest earned thereon.

NOTES TO SCHEDULE B

THE PORTLAND CONDOMINIUM

These amounts represent the total Common Charges to be levied against, and collected from, the Residential Unit Owners and the Commercial Unit Owners during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Commercial Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Commercial Unit Owners will only be obligated to pay its respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve the Commercial Units. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 72%. Common Charges to be borne by the Commercial Units Common Interest for a total of 28%.

Except as otherwise provided in the following notes, the Commercial Unit Owners' obligation to pay Common Charges is based upon its percentage of Common Interest in the Building times the projected expenses specific to the Commercial Unit as set forth in the Commercial budget. As set forth in Schedule B, the Non-Residential Unit Owner is obligated to pay as part of its monthly Common Charges a portion of the following expenses: labor and benefits; repairs and maintenance; service contracts; insurance; management fee; legal and audit. The Commercial Unit Owner shall not be obligated to pay any part of electricity; gas for cooking, heat and hot water; water and sewer charges since such budget line items exclusively benefit the Residential Unit Owners, and are services not attributable to the Non-Residential Unit's use of the Common Elements.

NOTE 1: Income	**Residential Common Charges**	**$393,973.73**
	Commercial Common Charges	**$ 33,468.52**
	Laundry Income	**$ 14,238.00**

This amount represents the estimated total Common Charges to be levied against and collected $393,973.73 from the Residential Units, $33,468.52 from the Commercial Units and $14,238.00 from the Laundry Income during the first year of Condominium operation. Each Unit Owner's proportionate share of Common Charges is based on each Unit's percentage of Common Interest.

The Commercial Owner's obligation to pay common charges is based on its percentage of common interest in the building times projected expenses set forth in the budget for all expenses except Water and Sewer and Labor. The Commercial Units will be responsible for the NYC Bid Tax applicable as defined by the New York City Business Improvement District.

NOTE 2: Electric (Common Areas)

Residential $10,862.00
Commercial $ 1,085.00

Individual Units shall be separately metered for lighting, power and air conditioning, but electricity for all commonly used spaces, fans, pumps, etc. shall be a common expense on a single electric meter as projected by Design AIDD Architecture DPC, 508 West 26th Street, New York, New York 10001 included in the Architects Report attached herein which includes at 10% inflation factor.

NOTE 3: Water & Sewer

Residential $25,945.00
Commercial $ 0.00

There will be one water meter servicing the entire Residential Building. The estimated cost is based on current water & sewer rates and consumption as projected by Design AIDD Architecture DPC, 508 West 26th Street, New York, New York 10001 included in the Architects Report attached herein which includes a 10% inflation factor. The Commercial Units will install their own Water Meter and will be responsible for their Water and Sewer Charges.

NOTE 4: Gas

Residential $33,204.00
Commercial $ 3,316.00

Gas service for the hot water, heating, laundry and residential gas shall be a common expense for the Residential and Commercial Units on a single gas meter. The cost projected by Design AIDD Architecture DPC, 508 West 26th Street, New York, New York 10001 included in the Architects Report attached herein includes a 10% inflation factor.

NOTE 5: Insurance

Residential $37,277.07
Commercial $ 3,722.93

The budgeted item is based on a letter provided by Fairmont Insurance Brokers, 1600 60th Street, Brooklyn, New York 11204 dated February 26, 2025 for Property Coverage, General Liability, Flood and Earthquake, Excess Liability, Directors & Officers and Crime.

Property coverage $9,000,000.00 based on building value/replacement cost
General liability $1,000,000.00 each occurrence/$2,000,000.00 general aggregate
Umbrella coverage of $10,000,000
Directors & Officers coverage of 1,000,000
Crime & Fidelity coverage of $100,000

The condominium will have at closing fire and casualty insurance under the agreed amount replacement cost. The fire, casualty and general liability insurance must be on the terms that provide: (1) that each unit owner is an individual party; (2) that there will be no cancellation

without notice to the board of managers; (3) a waiver of subrogation; (4) a waiver of invalidity because of the acts of the insured and unit owners; and (5) a waiver of pro–rata reduction if unit owners obtain individual coverage.

A portion of the insurance expense is allocated to the "Retail/Commercial" common charges based on percentage of common interest.

There is no coverage provided for fire and casualty to the contents of each individual unit nor does it take into account any future replacements, additions or improvements contained therein. There is no coverage for individual units personal property damage or water damage legal liability. Purchasers are advised to obtain their own insurance for property and liability losses.

NOTE 6: Repairs, Maintenance and Supplies

Residential	**$37,053.00**
Commercial	**$ 3,033.00**

The budget for these items includes the cost of normal repairs and maintenance for the Common Elements $15,511.00, Booster Pump maintenance $1200.00, Sprinkler System routine inspection, maintenance and testing $10000.00, Boiler maintenance $5000.00 and monthly Exterminating Service $2094.00. The projected cost of supplies, $6681.00 is allocated to Residential Units only for cleaning products, garbage bags and lightbulbs. It is anticipated that all mechanical equipment will be under warranty during the first year of Condominium operation.

NOTE 7: Legal and Accounting Fees

Residential	**$ 21,820.00**
Commercial	**$ 2,180.00**

The budget includes $17,500.00 for accounting services in connection with preparation of the Condominium's tax returns and audited financial statements for the Condominium's first year of operation based on a letter from Ives & Sultan, LLP and $6,500.00 budgeted for ordinary legal services.

A portion of the legal and accounting fees expense is allocated to the commercial units charges based on percentage of common interest.

NOTE 8: Bid Tax

Residential	**$ 0.00**
Commercial	**$ 8,442.00**

The projected amount based on the current Bid Tax from the NYC Business Improvement District will be allocated only to the Commercial Units.

NOTE 9: Unit 1A Real Estate Taxes

Residential	**$ 7,614.00**

Commercial $ 760.00

Unit 1A will be apportioned as a separate tax lot. It will be occupied by the Superintendent and the amount projected for the annual real estate tax will be a common expense payable by the Residential and Commercial Units. The apportionment of the tax lot will allow the condominium association to sell the Unit at which time the Real Estates would then be the responsibility of the purchaser of the Unit.

NOTE 10: Labor/Payroll and Benefits

Residential $112,311.00
Commercial $ 0.00

The Condominium will staff a Full time Superintendent and a Part time porter for 32 hours per week to perform minor repairs, cleaning of the common areas, replace lightbulbs, and placing garbage and recyclables out on pick-up days and perform snow removal. The level of staffing complies with all applicable housing laws. The budgeted amount is based on the experience of the Managing Agent. The amount includes payroll taxes and the wages meet state minimum wage laws. Payroll taxes include FICA/Medicaid, Federal Unemployment and State Unemployment Disability and Worker's Compensation at current rates. The staff are not union members The cost of the projected expense is allocated only to the Residential Units. The breakdown is as follows:

Annual Salaries & PR Overhead	
Superintendent	54,600
Porter	31,200
PR Taxes/SUI/WC/DBL/PFL	14,911
Employer Portion health insurance	16,800
Total PR Costs	**$ 112,311**

NOTE 11: Management Fee

Residential $51,279.00
Commercial $ 5,121.00

The Condominium Board will enter into an agreement for the management of the Condominium Association and the projected cost is based on similar size properties. A portion of the management fee expense is allocated to the commercial units common charges based on percentage of common interest.

NOTE 12: Contingency

Residential $33,736.51
Commercial $ 2,765.99

The amount budgeted is to cover any for unanticipated expenses the first year of operation and is allocated to the Residential and Commercial Units based on 10% of their proportionate budget.

NOTE 13: Replacement Reserve

Residential	**$37,110.16**
Commercial	**$ 3,042.59**

The replacement reserve is intended to cover future replacement costs of components, based on their anticipated useful lives and initial cost and is allocated to the Residential and Commercial Units based on 10% of their proportionate budget.

THE FOREGOING PROJECTED BUDGET MAY BE MODIFIED FROM TIME TO TIME PRIOR TO COMMENCEMENT OF AND DURING THE FIRST YEAR OF CONDOMINIUM OPERATION, TO ADD OR DELETE OR INCREASE OR DECREASE ONE OR MORE ITEMS OF OPERATING EXPENSES. IF ADDITIONAL FUNDS ARE REQUIRED TO PAY EXPENSES, IT MAY BE NECESSARY TO INCREASE COMMON CHARGES OR SPECIALLY ASSESS UNIT OWNERS.

IN THE OPINION OF D&D MANAGEMENT SERVICES, THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JULY 1, 2026. SUCH OPINION INCLUDES, WITHOUT LIMITATION, THE ADEQUACY OF INCOME TO ACCOUNT FOR THE EXPENSES EXPECTED TO BE INCURRED BY THE CONDOMINIUM. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND ANY OTHER UNFORESEEN FACTORS.

H. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1

UTILITY CONSUMPTION LETTER PREPARED BY DAGHER ENGINEERING, PLLC

The estimates below are based on the following data and sources: lighting would be on three (3) hours per day, while plugs would charge devices four (4) hours per day, and the kitchen hood would be used thirty (30) minutes per day. The appliances' energy consumption is determined by Energy Star's baseline building data. Electricity's current bare cost of $0.2167/kWh, coupled with an estimated 10% increase and 16% taxes, yields $0.2765092/kWh rounded up to $0.3/kWh. Finally, window ACs are determined to be rated with an EER of 10, with compressors energized for a total of 600 hours during the cooling season with a rate of 1 ton (12,000 btu/hr) per 600 sqft.

112 1A	903	sqft		**112 1D**	984	sqft
Lighting	451.5	W (0.5 W/sqft)		Lighting	492	W (0.5 W/sqft)
	40.635	kWh/month	3h/day		44.28	kWh/month
	487.62	**kWh/year**			**531.36**	**kWh/year**
Miscellaneous	451.5	W (0.5 W/sqft)		Miscellaneous	492	W (0.5 W/sqft)
plug loads	54.18	kWh/month	4h/day	plug loads	59.04	kWh/month
	650.16	**kWh/year**			**708.48**	**kWh/year**
Refrigerator	**529**	**kWh/year**		Refrigerator	**529**	**kWh/year**
	44.1	kWh/month			44.1	kWh/month
Dishwasher	**206**	**kWh/year**		Dishwasher	**206**	**kWh/year**
	17.2	kWh/month			17.2	kWh/month
Hood	1	kW		Hood	1	kW
	15	kWh/month	0.5h/day		15	kWh/month
	180	**kWh/year**			**180**	**kWh/year**
Total	171.1	kWh/month		Total	179.6	kWh/month
without AC	51.32	$/month		without AC	53.87	$/month
	2052.8	**kWh/year**			**2154.8**	**kWh/year**
	615.83	**$/year**			**646.45**	**$/year**
Window AC	81.27	$/cooling month		Window AC	88.56	$/cooling month
	325.08	**$/year**			**354.24**	**$/year**
Total	132.59	$/cooling month		Total	142.43	$/cooling month
with AC	**940.91**	**$/year**		with AC	**1000.69**	**$/year**

112 1C	607	sqft	**112 1B**	596	sqft
Lighting	303.5	W (0.5 W/sqft)	Lighting	298	W (0.5 W/sqft)
	27.315	kWh/month		26.82	kWh/month
	327.78	**kWh/year**		**321.84**	**kWh/year**
Miscellaneous	303.5	W (0.5 W/sqft)	Miscellaneous	298	W (0.5 W/sqft)
plug loads	36.42	kWh/month	plug loads	35.76	kWh/month
	437.04	**kWh/year**		**429.12**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total	140.0	kWh/month	Total	138.8	kWh/month
without AC	42.00	$/month	without AC	41.65	$/month
	1679.8	**kWh/year**		**1666.0**	**kWh/year**
	503.95	**$/year**		**499.79**	**$/year**
Window AC	54.63	$/cooling month	Window AC	53.64	$/cooling month
	218.52	**$/year**		**214.56**	**$/year**
Total	96.63	$/cooling month	Total	95.29	$/cooling month
with AC	**722.47**	**$/year**	with AC	**714.35**	**$/year**

112 2A-4A	423	sqft
Lighting	0	W (0.5 W/sqft)
	0	kWh/month
	0	**kWh/year**
Miscellaneous plug loads	0	W (0.5 W/sqft)
	0	kWh/month
	0	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	76.3	kWh/month
	22.88	$/month
	915.0	**kWh/year**
	274.50	**$/year**
Window AC	0	$/cooling month
	0	**$/year**
Total with AC	22.88	$/cooling month
	274.50	**$/year**

112 2D-4D	451	sqft
Lighting	225.5	W (0.5 W/sqft)
	20.295	kWh/month
	243.54	**kWh/year**
Miscellaneous plug loads	225.5	W (0.5 W/sqft)
	27.06	kWh/month
	324.72	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	123.6	kWh/month
	37.08	$/month
	1483.3	**kWh/year**
	444.98	**$/year**
Window AC	40.59	$/cooling month
	162.36	**$/year**
Total with AC	77.67	$/cooling month
	607.34	**$/year**

112 2C-4C	745	sqft	**112 2B-4B**	692	sqft
Lighting	372.5	W (0.5 W/sqft)	Lighting	346	W (0.5 W/sqft)
	33.525	kWh/month		31.14	kWh/month
	402.3	**kWh/year**		**373.68**	**kWh/year**
Miscellaneous	372.5	W (0.5 W/sqft)	Miscellaneous	346	W (0.5 W/sqft)
plug loads	44.7	kWh/month	plug loads	41.52	kWh/month
	536.4	**kWh/year**		**498.24**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total	154.5	kWh/month	Total	148.9	kWh/month
without AC	46.34	$/month	without AC	44.67	$/month
	1853.7	**kWh/year**		**1786.9**	**kWh/year**
	556.11	**$/year**		**536.08**	**$/year**
Window AC	67.05	$/cooling month	Window AC	62.28	$/cooling month
	268.2	**$/year**		**249.12**	**$/year**
Total	113.39	$/cooling month	Total	106.95	$/cooling month
with AC	**824.31**	**$/year**	with AC	**785.20**	**$/year**

108 1A	916	sqft	
Lighting	458	W (0.5 W/sqft)	
	41.22	kWh/month	3h/day
	494.64	**kWh/year**	
Miscellaneous plug loads	458	W (0.5 W/sqft)	
	54.96	kWh/month	4h/day
	659.52	**kWh/year**	
Refrigerator	**529**	**kWh/year**	
	44.1	kWh/month	
Dishwasher	**206**	**kWh/year**	
	17.2	kWh/month	
Hood	1	kW	
	15	kWh/month	0.5h/day
	180	**kWh/year**	
Total without AC	172.4	kWh/month	
	51.73	$/month	
	2069.2	**kWh/year**	
	620.75	**$/year**	
Window AC	82.44	$/cooling month	
	329.76	**$/year**	
Total with AC	134.17	$/cooling month	
	950.51	**$/year**	

108 1D	943	sqft
Lighting	471.5	W (0.5 W/sqft)
	42.435	kWh/month
	509.22	**kWh/year**
Miscellaneous plug loads	471.5	W (0.5 W/sqft)
	56.58	kWh/month
	678.96	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	175.3	kWh/month
	52.58	$/month
	2103.2	**kWh/year**
	630.95	**$/year**
Window AC	84.87	$/cooling month
	339.48	**$/year**
Total with AC	137.45	$/cooling month
	970.43	**$/year**

108 1C	556	sqft
Lighting	278	W (0.5 W/sqft)
	25.02	kWh/month
	300.24	**kWh/year**
Miscellaneous plug loads	278	W (0.5 W/sqft)
	33.36	kWh/month
	400.32	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	134.6	kWh/month
	40.39	$/month
	1615.6	**kWh/year**
	484.67	**$/year**
Window AC	50.04	$/cooling month
	200.16	**$/year**
Total with AC	90.43	$/cooling month
	684.83	**$/year**

108 1B	598	sqft
Lighting	299	W (0.5 W/sqft)
	26.91	kWh/month
	322.92	**kWh/year**
Miscellaneous plug loads	299	W (0.5 W/sqft)
	35.88	kWh/month
	430.56	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	139.0	kWh/month
	41.71	$/month
	1668.5	**kWh/year**
	500.54	**$/year**
Window AC	53.82	$/cooling month
	215.28	**$/year**
Total with AC	95.53	$/cooling month
	715.82	**$/year**

108 2A-4A	423	sqft
Lighting	211.5	W (0.5 W/sqft)
	19.035	kWh/month
	228.42	**kWh/year**
Miscellaneous plug loads	211.5	W (0.5 W/sqft)
	25.38	kWh/month
	304.56	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	120.7	kWh/month
	36.20	$/month
	1448.0	**kWh/year**
	434.39	**$/year**
Window AC	38.07	$/cooling month
	152.28	**$/year**
Total with AC	74.27	$/cooling month
	586.67	**$/year**

108 2D-4D	595	sqft
Lighting	297.5	W (0.5 W/sqft)
	26.775	kWh/month
	321.3	**kWh/year**
Miscellaneous plug loads	297.5	W (0.5 W/sqft)
	35.7	kWh/month
	428.4	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	138.7	kWh/month
	41.62	$/month
	1664.7	**kWh/year**
	499.41	**$/year**
Window AC	53.55	$/cooling month
	214.2	**$/year**
Total with AC	95.17	$/cooling month
	713.61	**$/year**

108 2C-4C	1034	sqft
Lighting	517	W (0.5 W/sqft)
	46.53	kWh/month
	558.36	**kWh/year**
Miscellaneous plug loads	517	W (0.5 W/sqft)
	62.04	kWh/month
	744.48	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total	184.8	kWh/month
without AC	55.45	$/month
	2217.8	**kWh/year**
	665.35	**$/year**
Window AC	93.06	$/cooling month
	372.24	**$/year**
Total	148.51	$/cooling month
with AC	**1037.59**	**$/year**

108 2B-4B	696	sqft
Lighting	348	W (0.5 W/sqft)
	31.32	kWh/month
	375.84	**kWh/year**
Miscellaneous plug loads	348	W (0.5 W/sqft)
	41.76	kWh/month
	501.12	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total	149.3	kWh/month
without AC	44.80	$/month
	1792.0	**kWh/year**
	537.59	**$/year**
Window AC	62.64	$/cooling month
	250.56	**$/year**
Total	107.44	$/cooling month
with AC	**788.15**	**$/year**

104 1A	583	sqft	
Lighting	291.5	W (0.5 W/sqft)	
	26.235	kWh/month	3h/day
	314.82	**kWh/year**	
Miscellaneous plug loads	291.5	W (0.5 W/sqft)	
	34.98	kWh/month	4h/day
	419.76	**kWh/year**	
Refrigerator	**529**	**kWh/year**	
	44.1	kWh/month	
Dishwasher	**206**	**kWh/year**	
	17.2	kWh/month	
Hood	1	kW	
	15	kWh/month	0.5h/day
	180	**kWh/year**	
Total without AC	137.5	kWh/month	
	41.24	$/month	
	1649.6	**kWh/year**	
	494.87	**$/year**	
Window AC	52.47	$/cooling month	
	209.88	**$/year**	
Total with AC	93.71	$/cooling month	
	704.75	**$/year**	

104 2A-4A	734	sqft	
Lighting	367	W (0.5 W/sqft)	
	33.03	kWh/month	
	396.36	**kWh/year**	
Miscellaneous plug loads	367	W (0.5 W/sqft)	
	44.04	kWh/month	
	528.48	**kWh/year**	
Refrigerator	**529**	**kWh/year**	
	44.1	kWh/month	
Dishwasher	**206**	**kWh/year**	
	17.2	kWh/month	
Hood	1	kW	
	15	kWh/month	
	180	**kWh/year**	
Total without AC	153.3	kWh/month	
	46.00	$/month	
	1839.8	**kWh/year**	
	551.95	**$/year**	
Window AC	66.06	$/cooling month	
	264.24	**$/year**	
Total with AC	112.06	$/cooling month	
	816.19	**$/year**	

104 2B-4B	811	sqft
Lighting	419	W (0.5 W/sqft)
	37.71	kWh/month
	452.52	**kWh/year**
Miscellaneous plug loads	419	W (0.5 W/sqft)
	50.28	kWh/month
	603.36	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	164.2	kWh/month
	49.27	$/month
	1970.9	**kWh/year**
	591.26	**$/year**
Window AC	75.42	$/cooling month
	301.68	**$/year**
Total with AC	124.69	$/cooling month
	892.94	**$/year**

680 2A-4A	864	sqft
Lighting	432	W (0.5 W/sqft)
	38.88	kWh/month
	466.56	**kWh/year**
Miscellaneous plug loads	432	W (0.5 W/sqft)
	51.84	kWh/month
	622.08	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	167.0	kWh/month
	50.09	$/month
	2003.6	**kWh/year**
	601.09	**$/year**
Window AC	77.76	$/cooling month
	311.04	**$/year**
Total with AC	127.85	$/cooling month
	912.13	**$/year**

680 2B-4B	913	sqft
Lighting	456.5	W (0.5 W/sqft)
	41.085	kWh/month
	493.02	**kWh/year**
Miscellaneous	456.5	W (0.5 W/sqft)
plug loads	54.78	kWh/month
	657.36	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total	172.1	kWh/month
without AC	51.63	$/month
	2065.4	**kWh/year**
	619.61	**$/year**
Window AC	82.17	$/cooling month
	328.68	**$/year**
Total	133.80	$/cooling month
with AC	**948.29**	**$/year**

I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

D & D MANAGEMENT SERVICES CORP.
6725 13th AVENUE
BROOKLYN, NEW YORK 11219
EMAIL: ddmsc.dorina@gmail.com
Tel: 718-238-9879
Fax: 1-888-399-9554

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

March 31, 2025

c/o IBEC Building Corp.
90 Broad Street, Suite 2003
New York, New York 10004

Re: The Portland Condominium

Dear Sir/Madam:

You have requested an opinion from me with regards to your allocation of common interest to units in the above-referenced condominium pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York. You have informed me that the factual basis of calculating the percentage of common interest allocated to each Unit consists of the floor space, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

Based on my review of the foregoing factors, I have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339-i(1)(iv) of the Real Property Law of the State of New York.

Our company has been providing property management services since 2000. We have managed over 100 properties during this time. Currently, we manage over 50 properties, which range from 3-story walk ups to mid-rise elevator buildings consisting of anywhere from 8 units to as many as 32 units and have extensive experience in the management and rental of cooperative and condominium properties. I am not, in any way, associated with you or any other participants in this project, and have no beneficial interest in your business, or in profitability of the project. This is an opinion only as to the relative value of each unit in relation to the value of the project as a whole; is strictly based on the information provided to me in such reasonable inquiries as to the validity thereof as I deemed appropriate under the circumstances; and is not intended as a guarantee of the actual value of any individual unit. I consent to the inclusion of this letter in your offering plan.

Very truly yours,

Dorina Miletic-Guljas
Licensed Real Estate Broker

#189798144_v7

J. CHANGES IN PRICES AND UNITS

Unless it would constitute a discriminatory inducement, Sponsor reserves the right at any time and from time to time before and after the Closing Date, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, or any Unit Owner, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default may be made without the consent of the Purchaser. A discriminatory inducement is an offer made to some but not all of the tenants. If any price change is made, a Purchaser of a Unit affected thereby may pay more or less than other purchasers under this Plan for similar Units, but this will not affect any prior or subsequent sale of Units not the subject of such change. Sponsor has agreed that it will neither increase prices to be paid by Tenant Purchasers nor accept Purchase Agreements from Non-Tenant Purchasers for occupied Units, during any applicable Exclusive Purchase Period. The Purchase Prices set forth in Schedule A must be changed by a duly filed amendment to this Plan when the change in Purchase Price is an across the board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for an individual Purchaser. Unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a negotiated Purchase Agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to this Plan. The offering price to be paid by Tenant Purchasers will not increase during any applicable exclusive purchase period.

Unless it constitutes a discriminatory inducement, Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Purchase Agreement, including but not limited to terms and conditions pertaining to: Purchase Price; the amount of the Down Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of Interim Occupancy Agreement and the amount of interim rent; and the application of rent towards the Purchase Price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under the Purchase Agreement.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the Closing Date, without giving prior notice and without the consent of the Condominium Board, Unit Owners or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit and (c) if appropriate, reapportion among the Unsold Units affected by any such

change, their aggregate Common Interests. No change will be made in the size or number of Units or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration. No such change, including any change in the Common Interests or in the amount or quality of public areas directly affecting or servicing an Unit, will be made with respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, percentage allocation, or layout of such Unsold Unit. No material adverse change will be made in the total percentage or in the size or quality of the Common Elements except by amendment to the Plan and, in such event, Purchasers not in default shall receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any deposit or Down Payment to a Purchaser within thirty (30) days of receipt of the rescission notice from such Purchaser.

No change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary Plans and Specifications in connection therewith.

It should be noted that as long as the layout and dimensions of a Unit conform to the Floor Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any immaterial change.

Please see the subsection of the Plan entitled "Rights of Existing Tenants" in Part I of the Plan for further details regarding the rights of Tenant Purchasers and Non-Purchasing Tenants.

K. ACCOUNTANT'S STATEMENT OF OPERATION

The following are the Accountant's Statement of Operations for 2024 and 2023:

CohnReznick

Fulton Street Associates

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Independent Auditor's Report

To the General Partner
Fulton Street Associates

Opinion

We have audited the financial statements of Fulton Street Associates, which comprise the statement of assets, liabilities and partners' deficit - income tax basis as of December 31, 2024, and the related statements of revenues and expenses - income tax basis, partners' deficit - income tax basis, and cash flows - income tax basis for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and partners' deficit of Fulton Street Associates as of December 31, 2024, and its revenue and expenses and changes in partners' deficit and its cash flows for the year then ended in accordance with the basis of accounting Fulton Street Associates uses for income tax purposes described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fulton Street Associates and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Fulton Street Associates uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting Fulton Street Associates uses for income tax purposes, and for determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fulton Street Associates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fulton Street Associates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

CohnReznick LLP

New York, New York
April 11, 2025

Fulton Street Associates

Statement of Assets, Liabilities and Partners' Deficit - Income Tax Basis
December 31, 2024

Assets

Investment in rental property, net	$ 1,208,255
Cash and cash equivalents	548,360
Restricted deposits and funded reserves	
Tenant security deposits	122,329
Operating reserve	106,392
Total restricted deposits and funded reserves	228,721
Prepaid expenses	217,857
Deferred financing costs, net of accumulated amortization of $39,875	151,516
Syndication costs	37,500
Total assets	$ 2,392,209

Liabilities and Partners' Deficit

Liabilities	
Tenants' security deposits liability	$ 146,487
Mortgage payable	7,513,427
Total liabilities	7,659,914
Contingency	-
Partners' deficit	(5,267,705)
Total liabilities and partners' deficit	$ 2,392,209

See Notes to Financial Statements.

Fulton Street Associates

Statement of Revenues and Expenses - Income Tax Basis
Year Ended December 31, 2024

Revenues	
Rental income	$ 1,710,305
Vacancies and concessions	(48,850)
Other operating income	14,633
Total revenue	1,676,088
Operating expenses	
Salaries and employee benefits	116,652
Repairs and maintenance	88,431
Utilities	58,561
Property management fee	100,263
Real estate taxes	441,765
Property insurance	50,111
Miscellaneous operating expenses	54,105
Total operating expenses	909,888
Net operating income	766,200
Other income (expense)	
Amortization	(6,380)
Interest expense - mortgage payable	(324,960)
Other related party fees and expenses	(65,000)
Depreciation	(64,790)
Total other income (expense)	(461,130)
Net income	$ 305,070

See Notes to Financial Statements.

Fulton Street Associates

Statement of Partners' Deficit - Income Tax Basis
Year Ended December 31, 2024

	General partner	Investor limited partners	Total partners' deficit
Balance, January 1, 2024	$ (2,052,757)	$ (3,415,018)	$ (5,467,775)
Net income	3,051	302,019	305,070
Distributions	-	(105,000)	(105,000)
Balance, December 31, 2024	$ (2,049,706)	$ (3,217,999)	$ (5,267,705)
Partners' percentage of partnership losses	1.00%	99.00%	100.00%

See Notes to Financial Statements.

Fulton Street Associates

Statement of Cash Flows - Income Tax Basis
Year Ended December 31, 2024

Cash flows from operating activities		
Net income	$	305,070
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation		64,790
Amortization		6,380
Changes in		
Prepaid expenses		31,187
Tenants' security deposits liability, net		2,906
Net cash provided by operating activities		410,333
Cash flows from investing activities		
Expenditures on rental property		(101,144)
Net cash used in investing activities		(101,144)
Cash flows from financing activities		
Principal payments on mortgage payable		(177,498)
Distributions to partners		(105,000)
Net cash used in financing activities		(282,498)
Net increase in cash and cash equivalents		26,691
Cash and cash equivalents, beginning		521,669
Cash and cash equivalents, end	$	548,360
Supplemental disclosure of cash flow information		
Cash paid for interest	$	324,960

See Notes to Financial Statements.

Fulton Street Associates

Notes to Financial Statements
December 31, 2024

Note 1 - Organization

Fulton Street Associates (the "Partnership") was formed as a limited partnership under the laws of the State of New York on July 1, 1983 for the purpose of rehabilitating and operating a rental housing project (the "Project"). The Project consists of 45 multi-family units located in Brooklyn, New York. The Project operates under the name of The Portland.

The general partner is The Fulton Portland, L.L.C. and the investor limited partners are various individual investors. Net profits and losses are allocated 1% to the general partner and 99% to the investor limited partners.

The term of the Partnership shall continue until December 31, 2030, unless sooner dissolved in accordance with the provisions of the Limited Partnership Agreement (the "Partnership Agreement").

Note 2 - Summary of significant accounting policies

Income tax basis of accounting

The financial statements have been prepared on the accrual basis of accounting used by the Partnership for federal income tax reporting as prescribed by the U.S. Internal Revenue Code and the associated regulations (the Code). The primary differences between the income tax basis of accounting and accounting principles generally accepted in the United States of America ("GAAP") include the following:

- Prepaid rents received from tenants are recognized as income when received rather than earned as required under GAAP.
- Rental income is recognized when it is earned in accordance with the tenant leases or when rent payments are received from tenants, whichever event occurs first, rather than when earned as required under GAAP.
- Commercial income is recognized when it is earned in accordance with the contractual terms of the lease or when it is received from the tenant, whichever event occurs first. Under GAAP, commercial income is recognized on a straight-line basis over the term of the lease.
- Receivables are charged to bad debt expense when they are determined to be uncollectable rather than using the allowance method as required under GAAP.
- Purchases of real estate are carried at cost; whereas, under GAAP, the fair value of the assets purchased and liabilities assumed are allocated to intangible and tangible assets and liabilities according to the business combination accounting rules.
- GAAP accounting guidance requires that real estate property be reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be fully recoverable. If the fair value is less than the carrying amount of the asset, and impairment loss is to be recognized for the difference under GAAP. For income tax purposes, real estate is not reviewed for impairment, and no impairment loss is recognized.

- Up to $5,000 of organizational costs may be expensed immediately and the remaining balance is amortized over 15 years, whereas all organization costs are immediately expensed under GAAP.
- The investment in real estate is being depreciated using tax methods and lives which are different than methods required under GAAP.
- GAAP requires that the effective interest method using an imputed interest rate be used to amortized financing costs and that unamortized financing costs be presented as a direct reduction of the related debt. For income tax purposes, financing costs are presented as a deferred asset and are amortized using the straight-line method.

Cash equivalents
For purposes of the statement of cash flows - income tax basis, the Partnership considers all highly-liquid investment purchases with maturity of three months or less to be cash equivalents.

Accounts receivable and bad debts
Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management.

Rental property
Rental property is carried at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated tax lives. Buildings and improvements are depreciated over a range of 10 to 27.5 years using the straight-line method. Equipment is depreciated over a range of five to 15 years using an accelerated method.

Deferred financing costs and amortization
Loan costs of $191,391 are being amortized over the term of the mortgage loan using the straight-line method. Amortization expense for the year ended December 31, 2024 was $6,380. Accumulated amortization as of December 31, 2024 is $39,875. Estimated amortization expense for each of the ensuing years through December 31, 2029 is as follows:

Year	Amortization
2025	$ 6,380
2026	6,380
2027	6,380
2028	6,380
2029	6,380

Rental income
Rental income is recognized as rents become due. Rental payments received in advance are recognized as revenue in accordance with the Internal Revenue Service regulations. Tenant reimbursement income includes payments from tenants for common area maintenance and is recognized as revenue when it is earned or when payments are received from tenants, whichever occurs first.

Commercial rent
Commercial rent is recognized when it is earned in accordance with the contractual terms of the lease or when it is received from the tenant, whichever event occurs first.

Advertising costs
The Partnership's policy is to expense advertising costs when incurred.

Income taxes
The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its partners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2021 remain open.

Use of estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Rental property

Rental property is comprised of the following at December 31, 2024:

Land	$ 63,964
Building and improvements	4,522,177
Equipment	204,104
Subtotal	4,790,245
Accumulated depreciation	(3,581,990)
Net	$ 1,208,255

Note 4 - Restricted deposits and funded reserves

Operating reserve
The Partnership has an operating reserve, which consists of an investment in a bond mutual fund. The cost basis of the Partnership's investment in the mutual fund at December 31, 2024 was $106,392.

Note 5 - Related party transactions

Partnership administrative fee
For its services in monitoring the operations of the Partnership, the general partner earns an annual administrative fee. The Partnership is required to pay the general partner an annual fee of $20,000 plus reimburse the general partner for its expenses incurred to monitor the activities of the Project. During the year ended December 31, 2024, the Partnership incurred and paid a partnership administrative fee of $20,000, which is included in other related party fees and expenses on the statement of revenues and expenses - income tax basis.

Property management
The Partnership has a management agreement with IBEC Building Corporation, an affiliate of the general partner, to manage the rental operations of the apartment community. The monthly management fee is 6% of the monthly gross rental collections. During the year ended December 31, 2024, the Partnership incurred property management fees of $100,263. As of December 31, 2024, $0 remains payable.

Incentive management fee
As agreed upon amongst the limited partners and general partner during 2024, an incentive management fee of $45,000 was paid to the general partner, and is included in other related party fees and expenses on the statement of revenues and expenses - income tax basis. As of December 31, 2024, $0 remains payable.

Note 6 - Mortgage payable

The Partnership entered into a loan agreement with a bank in the amount of $8,500,000, secured by the rental property. The loan bears interest at 4.20% and matures on May 1, 2048. The terms require monthly payments of principal and interest of $41,871 through maturity at which time all unpaid principal and interest will be due. During the year ended December 31, 2024, interest of $324,960 was incurred and paid. As of December 31, 2024, the outstanding principal balance was $7,513,427.

Estimated aggregate maturities of the mortgage for each of the ensuing years through December 31, 2029 and thereafter are as follows:

2025	$	192,042
2026		200,265
2027		208,840
2028		217,782
2029		227,107
Thereafter		6,467,391
Total	$	7,513,427

Note 7 - Commercial leases

The Partnership has leased commercial space at the Project to an unrelated party ("Lessee"), under two operating leases. The Lessee subleases a portion of the commercial rental space to another unrelated party. The original terms of the lease agreements are five years with escalating monthly rental payments throughout the term of each lease agreement. The original lease agreements were scheduled to terminate in May 2014, February 2016, May 2024 and each have subsequently extended through May 31, 2026. The monthly rental payments under the two lease agreements are guaranteed by two individuals who are affiliated with the Lessee. During the year ended December 31, 2024, the Partnership had commercial rental revenue of $201,475, which is included in rental income on the accompanying statement of revenues and expenses - income tax basis.

The future minimum rental payments due from the Lessee the next year through the end of the lease terms are as follows:

December 31, 2025	$	209,098
2026		88,195

Note 8 - Distributions

Distributable cash flow, except from sale or refinancing transaction proceeds, is to be distributed 1% to the general partner and 99% to the investor limited partners until an amount equal to the cash flow base, as defined in the Partnership Agreement, has been distributed. Effective in November 2007 with the return of capital distribution, the cash flow base has been reduced to $0. As a result, any remaining cash flow will be distributed 30% to the general partner and 70% to the investor limited partners. During 2024, distributions of $105,000 were made to the limited partners.

Distributable cash flow from sale or refinancing transaction proceeds is to be distributed 34% to the general partner and 66% to the investor limited partners.

Note 9 - Concentration of credit risk

The Partnership maintains cash and an operating reserve with financial institutions. At times, these balances may exceed the federal insurance limits; however, the Partnership has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these balances at December 31, 2024.

Note 10 - Current vulnerability due to certain concentrations

The Partnership's operations are concentrated in multifamily real estate and economic development markets. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress, other governmental agencies or an administrative change mandated by the agencies. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden to comply with a change.

Note 11 - Contingency

Separate cash accounts are maintained for residential tenant security deposits. Separate cash accounts are not maintained for commercial tenant security deposits. The balance in these residential accounts represents amounts paid by tenants, which are refundable to them upon the expiration of their lease and the satisfactions of their responsibilities under the terms of the lease. At December 31, 2024, the balance of the residential accounts totaled $122,329 and is included in restricted deposits and funded reserve in the accompanying statement of assets, liabilities and partners' deficit - income tax basis. This amount is not to be used for payment of operating expenses or for any purpose other than described above. The security deposit liability for residential tenants at December 31, 2024 totaled $146,487, resulting in an underfunded amount of $24,158.

Note 12 - Subsequent events

Events that occur after the statement of assets, liabilities and partners' deficit - income tax basis date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of assets, liabilities and partners' deficit - income tax basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of assets, liabilities and partners' deficit - income tax basis date require disclosure in the accompanying notes. Management evaluated the activity of the Partnership through April 11, 2025 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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Fulton Street Associates

Financial Statements
and Independent Auditor's Report

December 31, 2023

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Fulton Street Associates

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Independent Auditor's Report

To the General Partner
Fulton Street Associates

Opinion

We have audited the financial statements of Fulton Street Associates, which comprise the statement of assets, liabilities and partners' deficit - income tax basis as of December 31, 2023, and the related statements of revenues and expenses - income tax basis, partners' deficit - income tax basis, and cash flows - income tax basis for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and partners' deficit of Fulton Street Associates as of December 31, 2023, and its revenue and expenses and changes in partners' deficit for the year then ended in accordance with the basis of accounting Fulton Street Associates uses for income tax purposes described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fulton Street Associates and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Fulton Street Associates uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting Fulton Street Associates uses for income tax purposes, and for determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fulton Street Associates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fulton Street Associates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

CohnReznick LLP

New York, New York
June 5, 2024

Fulton Street Associates

Statement of Assets, Liabilities and Partners' Deficit - Income Tax Basis
December 31, 2023

Assets

Investment in rental property, net	$	1,171,901
Cash and cash equivalents		521,669
Restricted deposits and funded reserves		
Tenants' security deposits		130,420
Operating reserve		106,392
Total restricted deposits and funded reserves		236,812
Prepaid expenses		249,044
Deferred financing costs, net of accumulated amortization of $33,495		157,896
Syndication costs		37,500
Total assets	$	2,374,822

Liabilities and Partners' Deficit

Liabilities		
Tenants' security deposits liability	$	151,672
Mortgage payable		7,690,925
Total liabilities		7,842,597
Contingency		-
Partners' deficit		(5,467,775)
Total liabilities and partners' deficit	$	2,374,822

See Notes to Financial Statements.

Fulton Street Associates

Statement of Revenues and Expenses - Income Tax Basis
Year Ended December 31, 2023

Revenues	
Rental income	$ 1,649,590
Other operating income	15,050
Total revenues	1,664,640
Operating expenses	
Salaries and employee benefits	111,345
Repairs and maintenance	92,180
Utilities	57,631
Property management fee	100,439
Real estate taxes	484,582
Property insurance	47,350
Miscellaneous operating expenses	65,366
Total operating expenses	958,893
Net operating income	705,747
Other income (expense)	
Interest expense - mortgage payable	(331,462)
Miscellaneous other income (expense)	(54,944)
Other related party fees and expenses	(65,000)
Depreciation	(65,745)
Amortization	(6,380)
Total other income (expense)	(523,531)
Net income	$ 182,216

See Notes to Financial Statements.

Fulton Street Associates

Statement of Partners' Deficit - Income Tax Basis
Year Ended December 31, 2023

	General partner	Investor limited partners	Total partners' deficit
Balance, January 1, 2023	$ (2,054,579)	$ (3,490,412)	$ (5,544,991)
Net income	1,822	180,394	182,216
Distributions	-	(105,000)	(105,000)
Balance, December 31, 2023	$ (2,052,757)	$ (3,415,018)	$ (5,467,775)
Partners' percentage of partnership income and losses	1.00%	99.00%	100.00%

See Notes to Financial Statements.

Fulton Street Associates

Statement of Cash Flows - Income Tax Basis
Year Ended December 31, 2023

Cash flows from operating activities		
Net income	$	182,216
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation		65,745
Amortization		6,380
Changes in:		
Tenants' security deposits, net		(835)
Net cash provided by operating activities		253,506
Cash flows from financing activities		
Principal payments on mortgage		(170,994)
Distributions to partners		(105,000)
Net cash used in financing activities		(275,994)
Net decrease in cash and cash equivalents		(22,488)
Cash and cash equivalents, beginning		674,577
Cash and cash equivalents, end	$	652,089
Supplemental disclosure of cash flow information		
Cash paid for interest	$	331,462

See Notes to Financial Statements.

Fulton Street Associates

Notes to Financial Statements
December 31, 2023

Note 1 - Organization

Fulton Street Associates (the "Partnership") was formed as a limited partnership under the laws of the State of New York on July 1, 1983 for the purpose of rehabilitating and operating a rental housing project (the "Project"). The Project consists of 45 multi-family units located in Brooklyn, New York. The Project operates under the name of The Portland.

The general partner is The Fulton Portland, L.L.C. and the investor limited partners are various individual investors. Net profits and losses are allocated 1% to the general partner and 99% to the investor limited partners.

The term of the Partnership shall continue until December 31, 2030, unless sooner dissolved in accordance with the provisions of the Limited Partnership Agreement (the "Partnership Agreement").

Note 2 - Summary of significant accounting policies

Income tax basis of accounting
The financial statements have been prepared on the accrual basis of accounting used by the Partnership for federal income tax reporting as prescribed by the U.S. Internal Revenue Code and the associated regulations (the "Code"). The primary differences between the income tax basis of accounting and accounting principles generally accepted in the United States of America ("GAAP") include the following:

- Prepaid rents received from tenants are recognized as income when received rather than earned as required under GAAP.
- Rental income is recognized when it is earned in accordance with the tenant leases or when rent payments are received from tenants, whichever event occurs first, rather than when earned as required under GAAP.
- Commercial income is recognized when it is earned in accordance with the contractual terms of the lease or when it is received from the tenant, whichever event occurs first. Under GAAP, commercial income is recognized on a straight-line basis over the term of the lease.
- Receivables are charged to bad debt expense when they are determined to be uncollectable rather than using the allowance method as required under GAAP.
- Purchases of real estate are carried at cost; whereas, under GAAP, the fair value of the assets purchased and liabilities assumed are allocated to intangible and tangible assets and liabilities according to the business combination accounting rules.
- GAAP accounting guidance requires that real estate property be reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be fully recoverable. If the fair value is less than the carrying amount of the asset, and impairment loss is to be recognized for the difference under GAAP. For income tax purposes, real estate is not reviewed for impairment, and no impairment loss is recognized.
- Up to $5,000 of organizational costs may be expensed immediately and the remaining balance is amortized over 15 years, whereas all organization costs are immediately expensed under GAAP.

- The investment in real estate is being depreciated using tax methods and lives which are different than methods required under GAAP.

- GAAP requires that the effective interest method using an imputed interest rate be used to amortized financing costs and that unamortized financing costs be presented as a direct reduction of the related debt. For income tax purposes, financing costs are presented as a deferred asset and are amortized using the straight-line method.

Cash equivalents
For purposes of the statement of cash flows - income tax basis, the Partnership considers all highly-liquid investment purchases with maturity of three months or less to be cash equivalents.

Accounts receivable and bad debts
Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management.

Rental property
Rental property is carried at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated tax lives. Buildings and improvements are depreciated over a range of 10 to 27.5 years using the straight-line method. Equipment is depreciated over a range of 5 to 15 years using an accelerated method.

Deferred financing costs and amortization
Loan costs of $191,391 are being amortized over the term of the mortgage loan using the straight-line method. Amortization expense for the year ended December 31, 2023 was $6,380. Accumulated amortization as of December 31, 2023 is $33,495. Estimated amortization expense for each of the ensuing years through December 31, 2028 is as follows:

Year	Amortization
2024	$ 6,380
2025	6,380
2026	6,380
2027	6,380
2028	6,380

Rental income
Rental income is recognized as rents become due. Rental payments received in advance are recognized as revenue in accordance with IRS regulations. Tenant reimbursement income includes payments from tenants for common area maintenance and is recognized as revenue when it is earned or when payments are received from tenants, whichever occurs first.

Commercial rent
Commercial rent is recognized when it is earned in accordance with the contractual terms of the lease or when it is received from the tenant, whichever event occurs first.

Advertising costs
The Partnership's policy is to expense advertising costs when incurred.

Income taxes
The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its partners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2020 remain open.

Use of estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Rental property

Rental property is comprised of the following at December 31, 2023:

Land	$	63,964
Buildings and improvements		4,421,033
Equipment		204,104
Subtotal		4,689,101
Accumulated depreciation		(3,517,200)
Net	$	1,171,901

Note 4 - Restricted deposits and funded reserves

Operating reserve
The Partnership has an operating reserve, which consists of an investment in a bond mutual fund. The cost basis of the Partnership's investment in the mutual fund at December 31, 2023 was $106,392.

Note 5 - Statement of cash flows - income tax basis

The following table provides a reconciliation of cash and restricted cash reported within the statement of assets, liabilities and partners' deficit - income tax basis that sum to the total of the same such amounts in the statement of cash flows - income tax basis:

Cash	$	521,669
Tenant deposits		130,420
Total cash and restricted cash shown in the statement of cash flows - income tax basis	$	652,089

The amount included in restricted cash consists of security deposits held in trust for the future benefit of tenants upon moving out of the property as required by regulatory authority.

Note 6 - Related party transactions

Capital contributions

Initial capital contributions required from the general partner and the investor limited partners totaling $1,000 and $1,452,000 have been received by the Partnership. There are no capital contributions due from the partners at December 31, 2023.

Partnership administrative fee

For its services in monitoring the operations of the Partnership, the general partner earns an annual administrative fee. The Partnership is required to pay the general partner an annual fee of $20,000 plus reimburse the general partner for its expenses incurred to monitor the activities of the Project. During the year ended December 31, 2023, the Partnership incurred and paid a partnership administrative fee of $20,000, which is included in other related party fees and expenses on the statement of revenues and expenses - income tax basis.

Property management

The Partnership has a management agreement with IBEC Building Corporation, an affiliate of the general partner, to manage the rental operations of the apartment community. The monthly management fee is 6% of the monthly gross rental collections. During the year ended December 31, 2023, the Partnership incurred property management fees of $100,439, all of which have been paid.

Incentive management fee

As agreed upon amongst the limited partners and general partner during 2023, an incentive management fee of $45,000 was paid to the general partner, and is included in other related party fees and expenses on the statement of revenues and expenses - income tax basis.

Note 7 - Mortgage payable

The Partnership entered into a mortgage agreement in the amount of $8,500,000 with a bank. Under the terms of the note, outstanding borrowings bear interest at 4.20% and the Partnership is required to make monthly principal and interest payments of $41,871 until the maturity date on May 1, 2048, at which time the outstanding principal balance and all accrued interest are due. During the year ended December 31, 2023, interest expense of $331,462 was incurred and paid in full. At December 31, 2023, the balance of the note was $7,690,925.

The note is secured by the mortgage on the property and an assignment of rents and leases. The liability of the Partnership under the note is limited to the underlying value of the real estate collateral plus other amounts deposited with the lender.

Estimated aggregate maturities of the mortgage for each of the ensuing years through December 31, 2028 and thereafter are as follows:

2024	$	184,157
2025		192,042
2026		200,265
2027		208,840
2028		217,782
Thereafter		6,687,839
Total	$	7,690,925

Note 8 - Commercial leases

The Partnership has leased commercial space at the Project to an unrelated party ("Lessee"), under two operating leases. The Lessee subleases a portion of the commercial rental space to another unrelated party. The original terms of the lease agreements are five years with escalating monthly rental payments throughout the term of each lease agreement. The original lease agreements were scheduled to terminate in May 2014 and February 2016 and they have each subsequently been extended through May 31, 2024, with renewal option of two years. The monthly rental payments under the two lease agreements are guaranteed by two individuals who are affiliated with the Lessee. During the year ended December 31, 2023, the Partnership had commercial rental revenue of $193,465, which is included in rental income on the accompanying statement of revenues and expenses - income tax basis.

The future minimum rental payments due from the Lessee the next year through the end of the lease terms are as follows:

December 31, 2024	$	81,600

Note 9 - Distributions

Distributable cash flow, except from sale or refinancing transaction proceeds, is to be distributed 1% to the general partner and 99% to the investor limited partners until an amount equal to the cash flow base, as defined in the Partnership Agreement, has been distributed. Effective in November 2007 with the return of capital distribution, the cash flow base has been reduced to $0. As a result, any remaining cash flow will be distributed 30% to the general partner and 70% to the investor limited partners. During 2023, distributions of $105,000 were made to the limited partners.

Distributable cash flow from sale or refinancing transaction proceeds is to be distributed 34% to the general partner and 66% to the investor limited partners.

Note 10 - Concentrations

Concentration of credit risk
The Partnership maintains cash and an operating reserve with financial institutions. At times, these balances may exceed the federal insurance limits; however, the Partnership has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these balances at December 31, 2023.

Economic concentration
The Partnership operates the property in Brooklyn, New York. Future operations could be affected by changes in the economic or other conditions in that geographical area.

Note 11 - Contingency

Separate cash accounts are maintained for residential tenant security deposits. Separate cash accounts are not maintained for commercial tenant security deposits. The balance in these residential accounts represents amounts paid by tenants, which are refundable to them upon the expiration of their lease and the satisfactions of their responsibilities under the terms of the lease. At December 31, 2023, the balance of the residential accounts totaled $130,420 and is included in restricted deposits and funded reserve in the accompanying statement of assets, liabilities and partners' deficit - income tax basis. This amount is not to be used for payment of operating expenses or for any purpose other than described above. The security deposit liability for residential tenants at December 31, 2023 totaled $151,672, resulting in an underfunded amount of $21,252.

Note 12 - Subsequent events

Events that occur after the statement of assets, liabilities and partners' deficit - income tax basis date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of assets, liabilities and partners' deficit - income tax basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of assets, liabilities and partners' deficit - income tax basis date require disclosure in the accompanying notes. Management evaluated the activity of the Partnership through June 5, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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L. RIGHTS OF EXISTING TENANTS

Tenant Purchasers shall have the exclusive right to purchase their respective Units within ninety (90) days from the Presentation Date of this Plan (the "Exclusive Purchase Period") at the Purchase Prices set forth in Schedule A, during which time that Tenant Purchaser's Unit shall not be shown to a third party unless he or she has, in writing, waived his or her right to purchase. There will be no increase in prices to Tenant Purchasers during any exclusive purchase period for Tenant Purchasers and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Units during any exclusive purchase period. The phrase "any exclusive purchase period" refers to the initial 90 day Exclusive Purchase Period and any subsequent exclusive purchase period, which would be contained in a duly filed amendment to the Plan, although there is no certainty that there will be exclusive purchase periods after the initial 90 day Exclusive Purchase Period. Subsequent to the expiration of the Exclusive Purchase Period, a Tenant Purchaser in occupancy of a Unit who has not purchased shall be given the exclusive right for an additional period of six (6) months from said expiration date to purchase Tenant Purchaser's respective Unit on the same terms and conditions as are contained in an executed contract to purchase Tenant Purchaser's Unit entered into by a bona fide Purchaser, such exclusive right to be exercisable within fifteen (15) days from the date of mailing by registered mail of notice of the execution of a Purchase Agreement together with a copy of the executed Purchase Agreement to said Tenant Purchaser.

The term "Eligible Tenant" shall include: (a) a bona fide tenant in occupancy as of the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Unit or the Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Unit from the bona fide tenant of record. The term "Eligible Tenant" shall not include the estate or legal representative of a bona fide tenant who was in occupancy of a Unit on the Filing Date who died on or after the Filing Date. The term "Tenant Purchaser" shall mean an Eligible Tenant named in a Purchase Agreement to purchase only the Unit leased (or subleased) by such Eligible Tenant entered into during the Exclusive Purchase Period under the terms of this Plan. Any Eligible Tenant which is a corporation, limited liability company or partnership shall not be required to designate an individual to purchase a Unit in order to exercise its rights to purchase.

During the Exclusive Period: (a) all bona fide tenants in occupancy on the date the Plan is accepted for filing will have the exclusive right to right their dwelling units for ninety (90) days after the Plan is presented, during which time a tenant's dwelling shall not be shown to a third party unless such tenant has, in writing, waived the tenant's right to purchase, (b) any bona fide tenant with the right to renew a lease on the date the plan is accepted for filing has the right to purchase as a tenant, (c) any bona fide tenant who has the right to continued occupancy on the date the plan is accepted for filing has the right to purchase as a tenant, (d) for the purpose of determining who has the right to purchase during the Exclusive Period, a bona fide tenant of record with an unexpired lease on the date the plan is accepted for filing shall be presumed to be a tenant in occupancy even if the tenant has sublet his or her dwelling unit or the dwelling unit is not the tenant's primary residence, (e) a bona fide sublessee in occupancy on the date the plan is accepted

for filing has the right to purchase during the exclusive period if he or she: (1) sublets from a non-bona fide tenant, or (2) has obtained permission to purchase his or her dwelling unit from a bona fide tenant of record and the bona fide tenant of record has assigned in writing the right to purchase the dwelling unit to the bona fide sublessee. Nothing herein shall be construed to deprive an owner of any legal remedy for illegal occupancy, and (f) a residential occupant entitled to protection under article 7-C of the Multiple Dwelling Law has the right to purchase during the exclusive period. Following the expiration of the ninety (90) day exclusive period, all bona fide tenants in occupancy who have not purchased shall have an additional six (6) month right to match the terms and conditions contained in an executed contract to purchase the dwelling by a bona fide purchaser. Such exclusive right shall be exercisable within fifteen (15) days from the date of mailing by registered mail of notice of the execution of contract of sale together with a copy of such executed contract to said tenant. For purposes of this subsection, neither a bona fide tenant of record who was not in occupancy on the date the contract of sale was executed nor a sublessee who has not been assigned the right to purchase the dwelling unit shall have this additional six (6) month right.

No Eligible Tenant has the exclusive right to any Common Element except that any Back Yard or Balcony adjacent to and with access from a particular Unit, or access to which is provided for, pursuant to the terms of this Plan, shall be for the exclusive use of the Unit Owner of such Unit and therefore for the exclusive use by any occupant of such Unit. This exclusive right shall be protected by the Declaration, and not by any rent laws.

Both prior to the Plan being declared effective and after the Plan has been declared effective, Purchase Agreements of Tenant Purchasers may not be assigned without the prior written consent of Sponsor, which may be withheld in Sponsor's sole discretion. See the Section of the Plan entitled "Assignment of Purchase Agreements" for further discussion.

THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of the GBL, a copy of which is set forth in Part II of this Plan. Bona fide tenants in occupancy derive substantial protections under the GBL.

Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of this Plan and at least once every thirty (30) days until this Plan is declared effective or abandoned, as the case may be, and on the 2nd day before the expiration of any exclusive purchase period provided in an amendment to this Plan (i) file with the Attorney General, Real Estate Financing Bureau, 28 Liberty Street, New York, New York 10005, a written statement, under oath, setting forth the percentage of Units in the Building which are the subject of Purchaser Agreements executed by bona fide tenants in occupancy or bona fide Purchasers; or represented that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare this Plan effective. The statement which is posted in the Building and filed with the Attorney General shall include the following: the date and time of the statement, the Filing Date of this Plan, the Presentation Date of this Plan and any current

amendment, the last day of any exclusive purchase period, the number of bona fide tenants in occupancy and bona fide purchasers who have executed Purchase Agreements, the number of Units counted in the base and the percentage of Purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and the Attorney General. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

The term "Non-Purchasing Tenant" means a person who has not purchased a Unit pursuant to this Plan and who is a tenant entitled to possession at the time this Plan is declared effective or a person to whom a Unit is rented by Sponsor subsequent to the Effective Date of the Plan. A person who sublets a Unit from "a purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant. A Non-Purchasing Tenant shall also include Eligible Senior Citizens and Eligible Disabled Persons who have elected to become such.

To the extent permitted by law, Sponsor reserves the right to selectively offer, in its sole discretion, buyout payments in amounts to be determined by Sponsor and subject to tenants' rights to negotiate money or other incentives to some bona fide tenants in occupancy to induce them to vacate and surrender their apartments. DOL takes no position on the legality of buyout agreements and recommends that tenants seek the advice of counsel on whether acceptance of a buyout offer is a waiver of rights under the rent regulation laws. Any offers of buyouts during the period that the Red Herring is in effect are not permissible. Any buyout offers during the period that the Red Herring is in effect should be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005.

No eviction proceedings will be commenced at any time against Non-Purchasing Tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the Unit, refusal of reasonable access to the owner of the Unit or similar breach by the Non-Purchasing Tenant of the Non-Purchasing Tenant's obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that he seeks the Unit for the use and occupancy of the Non-Purchasing Tenant or the Non-Purchasing Tenant's family.

In connection with the paragraph above, generally, "free-market" leases do not provide for any renewal rights to be exercised by tenants. On September 14, 2010, the Appellate Division of the Supreme Court of New York, First Department, upheld the ruling in *MH Residential 1, LLC et al. v. John Barrett et al.*, that an unregulated tenant becomes protected when the Plan is declared effective and not when the Plan is filed. In addition, the court held that a "tenant in occupancy" does not include a holdover tenant (meaning a tenant remaining in occupancy after the expiration of his or her lease term) and in the case of a tenant holding over after the expiration of the lease term, no landlord-tenant relationship exists. Pursuant to the Plan, unregulated tenants become protected from eviction under the Martin Act once the Plan is declared effective, however this does not apply to holdover tenants. Please see the Department of Law's June 19, 2013 memo concerning the Disclosure Requirements for Occupied Conversions Regarding Tenant Protections from Evictions and Unconscionable Rent Increases for more information.

Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Bureau of Real Estate Financing, 28 Liberty Street, New York, New York 10005.

Pursuant to GBL352-eeee(2)(c)(vi), the rights granted under this Plan to "purchasers under the Plan" (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL.

All Units occupied by Non-Purchasing Tenants will be managed by the same Managing Agent who manages all other Units in the Building. Such Managing Agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in such tenant's use or occupancy of such tenant's Unit or the facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Attorney General deems it appropriate, an order restraining the owner from selling the Unit or from proceeding with this Plan of conversion. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on such tenant's own behalf for similar relief.

Any provision of a lease or other rental agreement which purports to waive a tenant's rights under the GBL or rules and regulations promulgated pursuant to the GBL shall be void as contrary to public policy.

Tenants or their representatives may physically inspect the Property at any time subsequent to the submission of this Plan to the Department of Law, during normal business hours, upon written request made by them to Sponsor, provided such representatives are registered architects or commercial engineers licensed to practice in the State of New York.

The By-Laws provide that subsequent to the Closing Date under this Plan, and for each sale or resale of a Unit occupied by a Non-Purchasing Tenant, a Non-Purchasing Tenant will be promptly notified in writing by the Purchaser thereof, of the name and address of the person or persons who purchased such Non-Purchasing Tenant's Unit and the Condominium Board is required to make such information available to such Non-Purchasing Tenant.

If Sponsor amends the terms and conditions of this offering prior to the closing of the First Unit to be more favorable to non-purchasing Tenants, a Tenant Purchaser who executed and submitted a Purchase Agreement and Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions. A Purchase Agreement from a Tenant Purchaser executed and submitted to Sponsor during any Exclusive Purchase Period shall have priority over and pre-empt any Purchase Agreement from a Non-Tenant Purchaser.

In the event a Purchaser purchases a Unit not occupied by such Purchaser, such purchase shall be subject to the terms and conditions of the existing lease or tenancy of the Unit and subject

to the rights and obligations set forth in the GBL and the Purchaser and his or her successors shall continue to be bound as long as such lease or tenancy continues.

If a Tenant Purchaser purchases his or her Unit, then from and after the Closing of such Unit, such Tenant Purchaser would no longer be subject to, or have any rights afforded tenants in occupancy under, the GBL. Tenant Purchasers shall not have the right to assign their Purchase Agreements. Please refer to the Section entitled "Procedure to Purchase- Assignment of Purchase Agreements" in Part I of the Plan.

Tenant Purchasers are not being offered the right to purchase any Unit other than the Unit occupied by such Tenant Purchaser on the Filing Date of the Plan. Non-Purchasing Tenants shall have no rights with respect to their Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Units.

In October 2009, the New York State Court of Appeals ruled in the case *Roberts v. Tishman Speyer Properties, L.P.*, 13 N.Y.3d 270; 890 N.Y.S.2d 388 (2009) that during any period a building is receiving J-51 real estate tax benefits, rent stabilized tenants, whether they were rent stabilized before the building's receipt of J-51 real estate tax benefits, or became rent stabilized as a result of the building's receipt of such benefits, are not subject to deregulation under the high-rent deregulation provisions of the rent laws ("High Rent Deregulation Provisions"). The Building does not receive J-51 tax benefits. None of the Units were deregulated under the High Rent Deregulation Provisions during any period that the Building received such benefits. This Plan does not represent that J-51 tax benefits will be obtained for the Building in the future.

See the Section entitled "Effective Date" in Part I of the Plan for a discussion of Sponsor's obligation to periodically post the percentage of Purchase Agreements received by the Selling Agent.

M. RIGHTS OF ELIGIBLE SENIOR CITIZENS AND ELIGIBLE DISABLED PERSONS

Eligible Senior Citizens and Eligible Disabled Persons who meet the eligibility requirements may not be evicted by unit owners or any subsequent purchaser at any time because the building is converted to condominium ownership or under owner occupancy provisions of rent codes.

An Eligible Senior Citizen is a nonpurchasing tenant and the spouse of a nonpurchasing tenant who:

(i) is 62 years of age or older on the date that the plan is filed with the Department of Law (filing date); and

(ii) has elected (pursuant to the Form in Exhibit 24 in Part II) not to purchase his or her apartment within 60 days of the date the Plan was submitted to the Department of Law or 60 days from the date the attorney general accepts the Plan for filing by completing the senior citizen election form in the plan, signing the form and having the signature notarized, and personally delivering it to the named sponsor or selling agent at a location specified in the plan or by mailing it by certified or registered mail, return receipt requested to the named sponsor or selling agent at the location specified in the plan. In the event that the plan becomes subject to G.B.L., section 352-e(2-a) after the plan was accepted for filing, (*a*) the plan must be amended immediately after the statute becomes applicable to such offering, and (*b*) such election may be made within 60 days of presentation of such amendment;

An Eligible Disabled Person is a nonpurchasing tenant and spouse of a nonpurchasing tenant who:

(i) has an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which is expected to be permanent, and which prevents the disabled person from engaging in any substantial gainful employment on the date the Department of Law accepted the plan for filing; and

(ii) has elected (pursuant to the Form in Exhibit 24 in Part II) not to purchase his or her apartment within 60 days from the date the Plan was submitted to the Department of Law or on the date the attorney generak has accepted the Plan for filing by completing the disabled person election form in the plan, signing the form and having the signature notarized, and personally delivering it to the named sponsor or selling agent at a location specified in the plan or by mailing it by certified or registered mail, return receipt requested to the named sponsor or selling agent at the location specified in the plan; and

(iii) if the disability first occurs after acceptance of the plan for filing, then such election may be made within 60 days following the onset of such disability unless during the period subsequent to 60 days following the presentation of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser. In the event that the plan becomes subject to G.B.L., section 352-e(2-a) after the plans was accepted

for filing, (*a*) the plan must be amended immediately after the statute becomes applicable to such offering, and (*b*) such election may be made within 60 days of presentation of such amendment.

No eviction proceedings will be commenced at any time against either Eligible Senior Citizens or Eligible Disabled Persons, except for nonpayment of rent, illegal use or occupancy of the apartment, refusal of reasonable access to the owner or a similar breach of obligations to the landlord.

Eligible senior citizens and Eligible Disabled Persons who reside in apartments subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

The rentals of Eligible Senior Citizens and Eligible Disabled Persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and Eligible Senior Citizens and Eligible Disabled Persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the Department of Law shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005.

The rights granted under the plan and rent regulatory laws to Eligible Senior Citizens and Eligible Disabled Persons may not be abrogated or reduced, regardless of any expiration of or amendment to G.B.L., section 352-e(2-a), 352-eee or 352-eeee.

Each owner of a unit occupied by an eligible senior citizen or eligible disabled person shall be bound by the provisions of the G.B.L. and the terms of the plan. The bylaws of the condominium must require that such purchase is subject to all the rights of the eligible senior citizen or eligible disabled person occupying the apartment and that the purchaser, his successors and assigns shall continue to be bound as long as such occupancy continues.

Sponsor may dispute the election by a tenant to be an eligible senior citizen or an eligible disabled person by applying to the Department of Law for a determination of the tenant's eligibility within 30 days of the receipt of the election form pursuant to section 23.8 of this Part. The Department of Law shall issue a determination of eligibility within 30 days thereafter.

In the absence of fraud, the determination by the Department of Law is the sole method for resolving a dispute as to whether a tenant is an eligible senior citizen or eligible disabled person. The determination by the Department of Law is reviewable only through a proceeding under article 78 of the Civil Practice Law and Rules.

An election not to purchase shall not preclude an electing senior citizen or disabled person from subsequently purchasing his or her apartment on the terms and conditions set forth in section 23.8 of this Part.

N. OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

A person purchasing a Unit occupied by another does so subject to: (a) the existing lease for the Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the Purchaser's Purchase Agreement is accepted), (b) the existing occupancy of the Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws, and under the GBL, including the right to stay in possession of the Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." A Purchaser purchasing a Unit subject to the Rent Laws must register such Unit with the New York State Division of Housing and Community Renewal. The Units that are subject to the Rent Laws are identified in "Schedule A – Prices of Units and Related Information".

No representations or statements of any kind as to the requirements of the GBL are given, except as expressly set forth in this Plan, and a prospective Purchaser interested in purchasing an occupied Unit in which he or she does not reside, or lease, is advised to consult with such prospective Purchaser's attorney regarding the application and effect of the foregoing Laws and regulations in order to become fully apprised of the prospective Purchaser's rights as a Purchaser and any obligations to any existing tenant or occupant.

After consummation of the sale of a Unit to a Non-Tenant Purchaser, such Non-Tenant Purchaser will own the Unit, subject to the lease or tenancy of the present tenant and subject to all rights, if any, afforded such tenant under the GBL and this Plan. Under the GBL, the Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Sponsor, the Condominium Board or its Managing Agent or a breach by a Non-Purchasing Tenant of such Non-Purchasing Tenant's obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the Non-Tenant Purchaser seeks the Unit for the use and occupancy of such Non-Purchasing Tenant or such Non-Purchasing Tenant's family.

If a Non-Tenant Purchaser acquires a Unit occupied by another, then on the Closing Date of such Unit, the Non-Tenant Purchaser will become the landlord of such tenant and the latter will become the Non-Tenant Purchaser's tenant. Such Non-Tenant Purchaser will be required under the Purchase Agreement executed by the Non-Tenant Purchaser to pay the Common Charges, taxes, or other assessments charged against the Unit by the Condominium Board, regardless of whether such Common Charges, taxes or other assessments are greater or less than the rent payable by the tenant or occupant, and regardless of whether the rent is received. In addition, such Non-Tenant Purchaser will be responsible for the performance of all obligations of the landlord under the lease with the tenant or occupant, including, without limitation, the obligation to maintain plumbing fixtures, doors, hardware, flooring, refrigerator, range, dishwasher, lighting fixtures, and other equipment, if any, which are included in the Unit or are the obligation of the Unit Owner to maintain, and which are not owned by the tenant or occupant and to paint the Unit, as provided in the Purchase Agreement or applicable Law. Any litigation costs, fees or dues related to the tenancy are the sole responsibility of the Purchaser. The Purchaser of a Unit which is occupied by a tenant

will be required to adhere to any relevant federal, state, local Law or ordinance in addition to the terms of the Lease.

The Purchase Agreement contains a provision whereby each Non-Tenant Purchaser of a Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced from time to time by the Condominium Board) as Non-Tenant Purchaser's agent, coupled with an interest, to provide, for the account and at the expense of the Non-Tenant Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Unit such Non-Tenant Purchaser is purchasing until such time as said right to occupy terminates. In addition, each Non-Tenant Purchaser agrees: (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges as part of the Working Capital Fund, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period. Notwithstanding the foregoing, the Purchaser of a bulk sale shall not be required to furnish two (2) months Common Charges to be used towards the Working Capital Fund, however, upon sale of any Unit originally sold as part of a bulk sale, the new purchaser will be required to furnish two (2) month's Common Charges towards the Working Capital Fund. Sponsor shall guarantee the obligation of the Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each Non-Tenant Purchaser of a Unit will be required to indemnify Sponsor for all costs expended by Sponsor on such Non-Tenant Purchaser's behalf. The foregoing obligations of a Non-Tenant Purchaser do not apply to Sponsor.

Upon each resale of a Unit occupied by another, the Managing Agent shall notify the Non-Purchasing Tenant thereof in writing within ten (10) days following the change in ownership of the name and address of the new Non-Tenant Purchaser.

No representation is made or warranty given as to whether the GBL or the Rent Laws will continue to apply to any Unit in the Building or whether there will be any future amendments thereto. Nothing contained herein shall be deemed to prevent Sponsor or the purchaser of a Unit occupied by Non-Purchasing Tenants from enjoying the benefits from any amendment to the Rent Laws or any court ruling which may be deemed to benefit Sponsor.

A person interested in purchasing a Unit in which he or she does not reside is advised to examine the lease for such Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are on file at the office of the Managing Agent or Sponsor. It is further recommended that such person consult with his or her own attorney in order to become fully apprised of the effect of the GBL and the Rent Laws, as well as the lease for the Unit, on such person's rights as a Non-Tenant Purchaser and such person's obligations to the existing tenant or occupant. Please refer to Schedule A for the Units which are subject to Rent Laws.

Except for as relates to rent stabilized Units, a Non-Tenant Purchaser of a Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the Non-Tenant Purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the Non-Tenant Purchaser will be

required to acknowledge, in writing, receipt thereof and agree to indemnify Sponsor against all claims or liability in connection therewith.

The Units are not subject to the Good Cause Eviction Law because the Units are within a housing accommodation subject to an offering plan submitted to the Office of the Attorney General.

O. NON-RESIDENTIAL SECTION

The Condominium will contain two (2) Non-Residential Units that are presently used as two retail stores. However, the Non-Residential Units may be used for any legal purpose. The Non-Residential Units may also be used for non-retail purposes. The Non-Residential Units are located on a portion of the First Floor of the Building.

Except as otherwise noted in the Declaration and By-Laws, the Board will have no right to restrict or limit the method of operation, use or appearance of the Non-Residential Units which is permitted by Law and applicable zoning ordinances. No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Board without the consent of the affected Unit Owner. All or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owners, all as more fully set forth in the Declaration subject to the restrictions set forth in the preceding paragraphs. Subject to compliance with all applicable Laws and governmental rules and regulations, if any, the Non-Residential Units may be sold without prior notice to other Unit Owners. The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any portion of the Non-Residential Units.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Non-Residential Units or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time or as to the uses to which any portion of the Non-Residential Units may be put at any time (except that the Non-Residential Units may be used for any lawful purpose or as otherwise limited by the Plan), and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339-i(1)(iv) and 339-m of the New York Condominium Act. The basis for projecting the share of expenses attributable to the Non-Residential Unit is the Common Interest of such Unit except that, as described below and in the projected "Budget for First Year of Condominium Operation, Schedule B", the allocation of Common Charges attributable to the Non-Residential Units reflects certain special or exclusive use or availability of particular Common Elements. The Non-Residential Unit Owners share the costs for insurance, heating, water and sewer, sprinkler, administration and contingency for repairs based upon its Common Interests and share the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage. Other costs such as the costs for hot water, gas and service contracts are not borne at all by the Non-Residential Unit Owners because such utilities and/or services are either separately metered or not used by the Non-Residential Unit Owners.

As set forth in the opinion of D&D Management Services, the Common Charges projected to be payable by the owners of the Non-Residential Unit are sufficient to cover the Common Expenses fairly attributable to those Units. The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with Article 11 of the By-Laws.

The Non-Residential Unit Owners have the right to freely sell the Non-Residential Units, or to freely lease all or part of the Non-Residential Units, as the case may be, without having to first offer the same for sale or lease to the Board.

Certain easements have been reserved to the Non-Residential Unit Owners and the Sponsor in the Declaration. The Non-Residential Unit Owners and the Sponsor and their successors and assigns to the extent permitted by Law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property, including but not limited to signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Non-Residential Units provided, however, that any such signs are in keeping with the first class nature of the Building, and (ii) the operation of any business of a tenant or occupant of all or any portion of any Non-Residential Units, provided, that such signs are contained within the areas designated by the Sponsor for signs. The Non-Residential Unit Owners and their successors and assigns shall have an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium. Although the Non-Residential Unit Owners may have certain rights or obligations in the Declaration which differ from those of the Residential Unit Owners, such rights and obligations will not have a materially adverse impact upon the Condominium.

The Condominium Board, at the request of the Sponsor, will enter into a recognition agreement with any tenant with which Sponsor or its designee or a Non-Residential Unit Owners has entered into a lease for all or any of the Non-Residential Units so long as there is no uncurable material default under the tenant's lease and such other reasonable terms as the Condominium Board may request. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle Sponsor or the Non-Residential Unit Owners or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board's lien on a Non-Residential Units for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of the Non-Residential Unit in question be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of the Non-Residential Units pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that the Board or any other party succeeds to the interests of Sponsor under the lease the tenant will agree to be bound to such Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to such Board or party as its landlord. Any insurance coverage obtained by the Condominium Board on the Non-Residential Units are subject to the approval of the owner of the Non-Residential Units.

The Non-Residential Unit Owners have the following rights which differ from those of the Residential Unit Owners: To the extent permitted by Law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Non-Residential Unit Owners will have the right with regard to its Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or

improvements to its Unit (except that alterations, additions or improvements which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or would increase insurance premiums or maintenance costs for any other Unit or the Common Elements or materially change the appearance of the Building, shall be subject to the approval, not to be unreasonably withheld, of the Condominium Board), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in the Declaration, the Non-Residential Unit Owners will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Condominium Board to do so. If the Non-Residential Units is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Condominium Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question. The rights of the Non-Residential Unit Owners which differ from the rights of the Residential Unit Owners will not have a material adverse impact upon the Condominium.

P. INTERIM OCCUPANCY AGREEMENT

Sponsor or its designee reserves the right, freely and without restriction, to rent or lease vacant Units, including any Units that become vacant after the Presentation Date, to Purchasers and non-Purchasers at any time, both before and after the First Closing. However, once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, and except with respect to Units that are occupied by Non-Purchasing Tenants, such Unit may only be rented to the Purchaser thereof unless Purchaser and Sponsor otherwise agree in writing. Such agreement to a Purchaser of a vacant Unit (the "Interim Occupancy Agreement") will be for such use and occupancy fee, but not to exceed the maximum of such fee legally collectible, and upon such other terms, as may be mutually agreed upon. In the event this Plan is abandoned, the lessee under an Interim Occupancy Agreement may, at any time at his or her sole option, cancel the Interim Occupancy Agreement and remove from the Property upon thirty (30) days' prior written notice to Sponsor at the address set forth on the cover page of this Plan. Additionally, in the event of such abandonment, the Purchaser who has entered into an Interim Occupancy Agreement shall continue to be subject to any Rent Laws he was subject to prior to such abandonment, if any, including regulation or subsequent regulation by the New York State Division of Housing and Community Renewal. Should Purchaser rescind his or her Purchase Agreement pursuant to any permitted rescission or if the Plan is abandoned or not declared effective, the Interim Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the Unit no later than that time. Please see Exhibit 22 in Part II of the Plan for the Form of Interim Occupancy Agreement.

If a Purchaser is given the right to possession of a Unit prior to Closing (i.e., pursuant to an Interim Occupancy Agreement), then Purchaser shall bear the risk of loss from fire or other casualty not otherwise covered by insurance. If Purchaser does not take possession of the Unit until Closing then the risk of loss from fire or other casualty shall remain with Sponsor until the Closing Date. The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner or the lessee under an Interim Occupancy Agreement, at its own cost and expense, will be required to obtain and maintain comprehensive liability insurance against all claims for personal injury, death, and property damage occurring in, upon or from the Unit or any part thereof.

Any Interim Occupancy Agreement entered into by a Purchaser terminates automatically at the time Purchaser becomes a Unit Owner. At the time a Purchaser in occupancy under an Interim Occupancy Agreement becomes a Unit Owner, such Purchaser will adjust with Sponsor for rent or use and occupancy for the month in which the Closing occurs. If the Closing Date is the first of the month, the Purchaser will be responsible for Common Charges rather than rent that month and will be obligated to pay that month's Common Charges directly to the Condominium Board. Under no circumstances shall any rent paid by a Purchaser pursuant to an Interim Occupancy Agreement offset the Purchase Price of the Unit.

A default under the terms of the Interim Occupancy Agreement or any other agreement between Sponsor and Purchaser or Purchaser's spouse, shall be deemed to be a default under the terms of the Purchase Agreement and a default under the terms of the Purchase Agreement shall be deemed to be a default under the terms of the Interim Occupancy Agreement. However, before Sponsor may utilize a default under the Interim Occupancy Agreement to declare a default under

the Purchase Agreement, Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee or (ii) the lessee must have vacated the Unit. If the Purchase Agreement and any Interim Occupancy Agreement, if applicable, is terminated due to the Purchaser's default (for example, if the Purchaser fails to pay rent under the Interim Occupancy Agreement, or makes unauthorized alterations or improvements to the Unit in violation of the Interim Occupancy Agreement, or defaults in any other obligation under the Interim Occupancy Agreement): (i) Sponsor may retain the Purchaser's Down Payment plus all interest earned thereon, as liquidated damages; (ii) the balance of the Purchase Price deposited into escrow will be returned to the Purchaser; (iii) the contribution to the Working Capital Fund, if any was made in connection with the Interim Occupancy Agreement, will be returned to the Purchaser by Escrow Agent; and (iv) the Closing Documents, if any of the same have been executed, will become void and of no force and effect, and Escrow Agent will have no further responsibilities or liability with respect thereto. Eviction proceedings may be commenced against the lessee under the Interim Occupancy Agreement if such lessee fails to vacate the Unit upon the occurrence of the foregoing events.

Sponsor will notify the Purchaser of the Purchaser's default by written notice sent by certified mail, return receipt requested, specifying the reason the Purchaser is in default and granting the Purchaser thirty (30) days within which to cure the default. Notwithstanding anything contained herein, Sponsor shall make a written demand (or demands) for payment aggregating a total of at least thirty (30) days before a Purchaser is declared to be in default. If, after making said written demand (or demands), Purchaser fails to close, Sponsor shall have the right to retain the Down Payment and any interest earned thereon as damages.

TIME IS OF THE ESSENCE WITH RESPECT TO THE PURCHASER'S OPPORTUNITY TO CURE THE DEFAULT WITHIN THE SPECIFIED CURE PERIOD. AFTER THE SPECIFIED CURE PERIOD EXPIRES, IF THE PURCHASER'S DEFAULT REMAINS UNCURED, SPONSOR MAY TERMINATE THE PURCHASE AGREEMENT AND THE INTERIM OCCUPANCY AGREEMENT, IF ANY, RETAIN THE PURCHASER'S DOWN PAYMENT TOGETHER WITH INTEREST EARNED THEREON, IF ANY, AS LIQUIDATED DAMAGES, COMMENCE EVICTION PROCEEDINGS AGAINST THE PURCHASER IF THE PURCHASER FAILS TO VACATE THE UNIT (IF THE PURCHASER HAD BEEN IN OCCUPANCY PURSUANT TO AN INTERIM OCCUPANCY AGREEMENT) AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THE PURCHASE AGREEMENT HAD NEVER BEEN MADE.

Q. PROCEDURE TO PURCHASE

1. General Information

A person desiring to purchase a Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., four (4) original copies), which will be in the form set forth in Part II of the Plan.

Tenant Purchasers will be afforded not less than three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement unless fewer than three (3) business days remain in the statutory time period to declare the Plan effective. Sponsor must accept a Purchase Agreement from a Tenant Purchaser who submits a signed Purchase Agreement and check for the Down Payment to the Selling Agent during the time within which the Tenant Purchaser has the exclusive right to purchase the Unit occupied by the Tenant Purchaser in accordance with the terms of this Plan. Such Tenant Purchaser will receive a fully executed counterpart of the Purchase Agreement from the Selling Agent or Sponsor.

Non-Tenant Purchasers will be afforded not less than three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement unless fewer than three (3) business days remain in the statutory time period to declare the Plan effective. If a Non-Tenant Purchaser has not been afforded at least three (3) business days prior to executing a Purchase Agreement, such Purchaser will have seven (7) days after delivering an executed Purchase Agreement together with the Down Payment to rescind the Purchase Agreement and have the Down Payment refunded within thirty (30) days of Sponsor's receipt of notice of such Purchaser's rescission. Such rescinding Purchaser must either personally deliver a written notice of rescission to the Selling Agent within the 7-day period or mail the notice of rescission to the Selling Agent and have the mailing post-marked within the 7-day period.

If the Purchase Agreement does not pertain to the Tenant Purchaser's Unit, or is submitted after the expiration of a Tenant Purchaser's exclusive right to purchase, or a Non-Tenant Purchaser submits a signed Purchase Agreement and check for the Down Payment to the Selling Agent or Sponsor, unless an executed Purchase Agreement is delivered to such Tenant Purchaser or Non-Tenant Purchaser within thirty (30) days after same is received by Sponsor or the Selling Agent, it shall be deemed rejected and neither party shall have any further rights or obligations hereunder with respect to the other, except that Sponsor shall be obligated to refund all monies paid by Purchaser within fifteen (15) days after such cancellation. Purchase Agreements will not be binding on the Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law. If the Purchase Agreement is accepted, a fully executed counterpart will be returned to the Purchaser by the Selling Agent.

Sponsor shall have the right to reject such Purchase Agreement without cause or explanation to purchaser, provided such rejection is not based on race, creed, color, gender, sexual orientation, disability, age, marital status or national origin or other ground proscribed by Law. No prospective Purchaser will have any claim against Sponsor for Sponsor's failure to execute a Purchase Agreement.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

A Purchaser shall deliver to Selling Agent, together with the four (4) signed original counterparts of the completed Purchase Agreement, the following: a completed and signed copy of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by Law if Purchaser wants the Down Payment to be placed in an interest bearing account (the forms currently required by Law are reproduced as Exhibits 15 and 16 in Part II of this Plan); and the Down Payment as set forth below. Each Purchaser shall in all events be deemed to represent and warrant that the Payments and all sums deposited by Purchaser pursuant to the Purchase Agreement are such Purchaser's own funds and that no other party has any right thereto.

The obligations of a Purchaser under an Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes an Purchase Agreement and does not obtain financing may lose his or her Payment if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

Agreements will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser even if the Sponsor has deposited the Down Payment. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Agreement and the down payment required thereby, within which to accept or reject such Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law.

If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute (a) an Agreement for any Unit, except as prohibited by Law, and (b) an Agreement(s) for more than one Unit to any one person or entity.

The Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23A of the General Business Law of the State of New York.

If there is any conflict between the terms of the Purchase Agreement and the Offering Plan, such conflict will be resolved according to the terms of the Offering Plan.

At the time a Purchase Agreement is executed, a Purchaser is required to make a Down Payment in an amount equal to ten percent (10%) of the Purchase Price (the "Down

Payment"). Purchaser may be required to fund additional deposit(s) if additional work is being done to the Unit, provided however, that if this Plan is abandoned, Purchaser shall receive a refund of the additional deposit(s). In the event a Purchaser defaults under his or her Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Purchase Agreement and retain, as liquidated damages, the entire Down Payment made by the Purchaser together with interest earned thereon, if any.

Each prospective Purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth in Part II of this Plan. If a person desiring to purchase a Unit requests that Sponsor perform Custom Work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property", and Sponsor agrees to perform such Custom Work and/or provide such furnishings, then a description of such work or furnishings shall be inserted as an addition to the Agreement and Sponsor may require such person to pay for said Custom Work or furnishings in advance together with the cost of removing the Custom Work if the Purchaser fails to close. Any funds received by Sponsor for such Custom Work must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by Sponsor as long as the Sponsor uses such funds for such Custom Work. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for Custom Work. Notwithstanding the foregoing, if Sponsor abandons the Plan, all such funds received by Sponsor for Custom Work will be returned to Purchasers. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work or provide extra furnishings for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser or its agents to perform any Custom Work or install extra furnishings prior to Closing. Any and all special or additional work which a Purchaser desires to be performed with regard to a Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Unit.

The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit at Sponsor's option, by wire transfer or an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Down Payment will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED

IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT UNLESS OTHERWISE AGREED BY SPONSOR.

After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date. In the event of any default by Purchaser under his or her Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of default, Sponsor may, at its option, cancel such Agreement and retain the Down Payment made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate. In addition, Sponsor shall also be entitled to retain (i) any amount spent by Sponsor for Custom Work requested by Purchaser and (ii) the reasonable cost to restore the Unit to its condition prior to such Custom Work being performed. Sponsor will fix dates for closing title to all Unsold Units for which Agreements have been executed by serving notice upon each Purchaser setting such Purchaser's Closing Date unless a specific Closing Date is contained in the Agreement.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.04% of the Purchase Price of his or her Unit, for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

If a Purchaser has entered into Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Agreements, beyond any applicable grace periods, shall be deemed a default under all of the Purchaser's Agreements. In the event of a such a default, Sponsor may, at its option, cancel each such Agreement(s) and retain, as liquidated damages, all Down Payment(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Agreement(s).

It is anticipated that the First Closing will occur on approximately July 1, 2026. In the event the projected commencement date of Condominium operation is twelve (12) months or later than the anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Down Payment refunded to them. In the event that the projected commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Down Payment refunded to them. Any Purchaser electing rescission will have their Down Payment and any interest earned thereon returned; within thirty (30) days' notice of such election, provided however, that Sponsor may retain any escrow funds

expended for Custom Work at the request of the Purchaser as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed. Rescission need not be offered to any Purchaser who is in default under such Purchaser's Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Down Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

At the time of execution of an Agreement, Purchaser is not required to sign a power of attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the deed conveying a Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

If the Plan is withdrawn or abandoned, the Down Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his or her Unit, whether or not he or she has taken possession of his Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) within two (2) months after the date of the occurrence of such fire or casualty, to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such

election, subject to Sponsor's rights to retain certain funds deposited by Purchaser for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion.

2. **Escrow and Trust Fund Requirements**

The Purchase Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 12 of the Agreement, which must be executed by the Escrow Agent.

All Down Payment received by Sponsor under an Agreement will be held in escrow in conformity with the provisions set forth below.

All Down Payment made pursuant to an Agreement are subject to the escrow and trust fund requirements of the State of New York Lien Law Section 71a(3), the General Business Law of the State of New York 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 conflicting or inconsistent provision in the Plan or in an Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

a. Escrow Agent

All Down Payment made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 787 Seventh Avenue, 31st Floor, New York, New York 10019 and whose telephone number is (212) 513-3200. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Erin Goodman, Joshua Berengarten, Kenneth Lowenstein, Rachel Katz, Robert Bressman, Stephanie Rainaud and Laura Franklin. 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.

b. Escrow Account

The Escrow Agent has established a master escrow account at PNC Bank (the

"Bank") at its branch located at 340 Madison Avenue, New York, New York entitled "Holland & Knight LLP - The Portland Condominium, Escrow Account" (the "Master Escrow Account"). All Down Payment will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser may deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Agreement. If an Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Down Payment transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of July 2025 is approximately 3%. Interest shall begin to accrue upon placing the Down Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Down Payment is released, the Down Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. The Bank is covered by federal bank Down Payment insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes an Down Payment in excess of $250,000 for the purchase of a unit, such Down Payment will not be federally insured in excess of $250,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000. In addition, if Purchaser makes an Down Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

The Down Payment may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. The Down Payment shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Down Payment by Sponsor or Selling Agent and deposit of the Down Payment thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders all or a portion of the Down Payment without an executed Agreement, Sponsor shall have the right to reject the Down Payment and return it to Purchaser: (i) within five (5) business days after tender, if the Down Payment has not been deposited into escrow, and (ii) at any time, if the Down Payment has been deposited into escrow.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-

bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Down Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts, which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Down Payment is cash or cash equivalent, or (ii) three (3) business days, if the Down Payment is other than cash or cash equivalent, of the transfer of the Down Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Holland & Knight LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Agreement will be deemed void ab initio (as if the Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

c. Notification to Purchaser

Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Agreement and place the Down Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Down Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Down Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Down Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Agreement and Down Payment to Escrow Agent or may apply to the Attorney General for relief. 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, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Down Payment and requisite notice was timely mailed to Purchaser.

d. Release of Funds

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

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

Escrow Agent will hold the Down Payment in escrow until otherwise directed:

(i) pursuant to terms and conditions set forth in the Agreement in Paragraph 12 upon closing of title to the Unit; or

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

(iii) in a final decision by JAMS. See "Dispute Resolution."

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

Sponsor will not object to the release of the Down Payment to:

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under the Agreement. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Down Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Down Payment and continues to act as Escrow Agent. Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the performance or non-performance of Escrow Agent's duties under Article 12 of the Agreement, except with respect to actions or

omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of Article 12 of the Agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under Article 12 of the Agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance. Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds.

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do Custom Work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance together with the cost of removing the Custom Work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for Custom Work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

e. Waiver Void

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

3. **Date of the First Closing; Closing Notices**

After this Plan is declared effective, Sponsor shall fix dates for closing title to Units for which Agreements have been fully executed. Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place for the Closing. Purchasers may, but are not required, to waive this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the Purchase Price stated in the Agreement at Sponsor's option by wire transfer or by unendorsed, personal certified check or by official cashier check.

4. **Default**

In the event a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, on behalf of itself and the Condominium Board, may (i) cancel such Agreement and retain as liquidated damages the Down Payment made by the Purchaser together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor

as a result of such a default by a prospective Purchaser, and that the Down Payment (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy or (ii) bring an action against the Purchaser for specific performance, in which event, the Purchaser could be compelled by court order to complete the purchase of the Unit. In the event Sponsor elects to cancel the Agreement and retain the Down Payment, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Down Payment (or any interest thereon). The payment of the Down Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Agreement, and to cure a default within 30 days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default.

As provided in the form of Agreement, which is set forth in Part II of the Plan as Exhibit 1, the following occurrences, among other things, without limitation of any other term or provision thereof or of the Plan, shall constitute an event of default under a Purchaser's Agreement: (a) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; (b) the appointment of a non-bankruptcy trustee or receiver over Purchaser or Purchaser's property, or the filing of an involuntary petition in bankruptcy against Purchaser; or (c) the filing of a judgment or tax lien against Purchaser which Purchaser does not pay or bond within 30 days after the filing thereof.

5. **Risk of Loss**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen.

Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser its entire Down Payment, together with interest earned thereon, within thirty (30) days' notice of such election, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Down Payment(s), together with interest earned thereon.

6. **Financing**

Although a Purchaser may obtain financing from any lending institution or any other source, the Purchaser's obligation pursuant to an Agreement to purchase a Unit shall not be contingent on the Purchaser obtaining a commitment for financing or actually obtaining financing for such purchase. In other words, a Purchaser shall remain obligated under an Agreement to purchase his or her Unit whether or not he or she is able to obtain financing. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited, and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

7. **Unit Owner Power of Attorney**

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 4 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease,

sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Development Rights. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

8. **Foreign Missions: Required Notification and Waiver of Diplomatic or Sovereign Immunity**

Any Purchaser that is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, must notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor will not be bound under any Agreement with a foreign mission unless and until the earlier to occur of: (i) receipt of a notification of approval from the Department of State; or (ii) 60 days after receipt of such Purchaser's notice by the Department of State.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or federal court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York, 10106 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

9. **Dispute Resolution**

All disputes between the Sponsor and the Purchaser regarding the Purchase Agreement including the return of the Down Payment after a default shall be determined by binding arbitration by JAMS (Judicial Arbitration and Mediation Services, Inc.). The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

Within five (5) days of filing a request for arbitration proceeding, JAMS shall send the parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite

ranking shall be appointed the Arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and the Purchaser.

The Arbitration will take place at JAMS headquarters, currently located at 620 Eighth Avenue, New York, New York. If the Unit is located outside of New York County, the arbitration shall take place at a venue within the county in which the Unit is located selected by the Arbitrator.

Sponsor and Purchaser are relinquishing their right to bring suit in court, including the right to trial by jury, concerning disputes over the dispositions of the Payment, except as provided by the rules of arbitration under New York CPLR §7511. There are procedural differences between arbitration and litigation that Purchasers should consider. JAMS may impose a shorter time limits for filing and bringing claims under the JAMS Streamlined Rules than in standard litigation. For example, as of the date hereof, JAMS Streamlined Rules require a response to a notice of claims within seven (7) days, while in New York Supreme Court a respondent has either twenty or thirty days to file an answer, depending on the type of service of process. Discovery powers are less expansive in arbitration than in a traditional court proceeding. The ability of parties to obtain documents, witness statements and other tools of discovery may be limited by the Arbitrator and JAMS Streamlined Rules. New York Law does not authorize any party to an arbitration to file a notice of pendency based on an ongoing arbitration proceeding.

The parties shall bear the costs of their own expenses and witness preparation. The parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. At the conclusion of the hearing the Arbitrator shall make his or her determination and shall award to the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing party shall be reimbursed for their share of the JAMS administrative expenses.

The decision of the Arbitrator shall be final and conclusively binding on the parties. An Arbitrator does not have explain their ruling when rendered. There is very limited ability to have a court reverse or modify an arbitration award. See New York CPLR § 7511. In no event shall Sponsor or Purchaser have the right to bring any action in Law or equity to otherwise seek damages or any other relief with respect to this dispute.

In no event shall the Payment be released from escrow until at least ninety (90) days has elapsed from the issuance of the final arbitration award. See CPLR §7511. While arbitration awards are generally final, there are limited possibilities for a party to vacate an award. In the event that a purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the Payment must remain in escrow until that proceeding is finally adjudicated.

Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Payment from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Payment. Escrow Agent shall continue to hold the Payment funds in escrow until otherwise directed by a final, non-appealable judgment or order of a court of

competent jurisdiction directing the disposition of such funds. Motions to enforce an arbitration clause or to confirm or set aside an arbitration award, must be brought in a New York court. In the event the party challenging arbitrator's award loses the appeal, the losing party will reimburse the winning party all of its costs including legal fees and expenses of the appeal.

10. **Statute of Limitations to Claim Sponsor Breach of Purchase Agreement**

The Purchase Agreement provides that Purchaser, as Residential Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Purchase Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Purchase Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Purchase Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. See Part I, Section L of the Plan, entitled "Procedure to Purchase and Close" and the Purchase Agreement itself, for additional information.

11. **Financial Crimes Enforcement Network Disclosure**

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an event of default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

12. **Delivery of Closing Documents**

Each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title

underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency, and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

R. ASSIGNMENT OF PURCHASE AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), if the assignment is to an affiliate of the Purchaser or the value of the time involved by Sponsor's counsel if the assignment is to a third party, not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Unit(s) for sale shall remain if effect.

Notwithstanding anything contained herein to the contrary, if Sponsor consents to the assignment of a Purchase Agreement prior to the declaration of effectiveness of this Plan, in order for such assigned Purchase Agreement to be counted toward effectiveness: (i) the Purchase Agreement must be signed by the Purchaser and the full Down Payment must be paid by the Purchaser to Sponsor; and (ii) the assignee shall provide to Sponsor at the time of submission of such assignment a notarized affidavit stating that the assignee was not procured by Sponsor or Selling Agent and that the assignee intends that he or she or a specified member of his or her immediate family will personally occupy the Unit. A copy of the aforementioned affidavit is set forth in Part II of this Plan.

In connection with the foregoing, if Purchaser is an entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such entity shall be considered an assignment and shall be subject to provisions, prohibitions and terms of the Plan concerning assignment, except that a sale of less than 50% of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of 51% or more of the interests in such entity or possession of the power to direct the management and policies of such entity and the distribution of it profits.

S. EFFECTIVE DATE

The offering of the Units for sale under this Plan by Sponsor is contingent upon this Plan being declared effective. The following provisions will determine whether, and when, this Plan will be declared effective.

This Plan may not be declared effective until Purchase Agreements have been executed and delivered for at least fifty-one percent (51%) of the bona fide tenants in occupancy of all dwelling units in this Building on the date the Plan was accepted for filing less those occupied by those tenants electing to be Eligible Senior Citizens or Eligible Disabled Persons. Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. As to tenants who were in occupancy on the Filing Date of this Plan, the Purchase Agreement must be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

After the conditions in the preceding paragraph have been met, Sponsor may, at its option, declare this Plan effective. When Purchase Agreements have been executed and delivered for the sale of eighty percent (80%) of all Units in the Building, and all the conditions referred to in the foregoing paragraph have been met, Sponsor must declare this Plan effective.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) assigned or transferred unless all of the procedures in the Section entitled "Procedure to Purchase" in Section II of the Plan have been complied with; or (iii) signed by Purchasers who have not been afforded at least three (3) business days to review this Plan and all amendments filed prior to executing a Purchase Agreement or at least seven (7) days to rescind; or (iv) signed by any Purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a Purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide).

The Department of Law requires an affirmative representation from each bona fide purchaser as a part of an investigative process. A purchaser who is bona fide, as defined above, will be required to execute an affidavit entitled "Affidavit of Bona Fide [Tenant/Non-Tenant] Purchaser For Purposes of Declaring Offering Plan Effective." Copies of the affidavits are attached hereto as Exhibit 2 and 3 in Part II of the Plan.

Purchasers are advised to seek the advice of an attorney before executing the affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

In computing the fifty-one percent (51%) requirement the following purchase agreements may be included: (i) purchases by bona fide tenants in occupancy on the filing date of their dwelling units, (ii) purchases by bona fide tenants in occupancy on the filing date of dwelling units

which are both vacant and not under lease, (iii) purchases by bona fide tenants in occupancy on the filing date of a dwelling unit of another bona fide tenant, and (iv) purchases by the bona fide tenant of record on the filing date or by a bona fide sublessee who has the right to purchase pursuant to 13 NYCRR § 23.3(n) (1)(i).

When calculating the fifty-one percent (51%) requirement: (i) no more than one Purchase Agreement by the tenant or tenants of a particular Unit will be counted; and (ii) only one Purchase Agreement from any tenant who leases or occupies more than one Unit will be counted.

This Plan will be declared effective either: (a) personal service of written notice on every tenant and purchaser or by commencement of service by mail in the manner required by Section 23.1 (d) of this Part. Within five (5) business days following such notice, an amendment to this Plan confirming that this Plan was declared effective as of the date of such notice will be submitted to the Department of Law, which amendment, upon acceptance for filing, will be delivered to all Purchasers; or (b) by duly filed amendment to this Plan. The closing of title with respect to any Unit shall in no event take place prior to the acceptance for filing of such amendment to this Plan.

This Plan may not be amended at any time to provide that it shall be an eviction plan.

If this Plan has not become effective within fifteen (15) months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to Purchasers, in full, within five (5) days thereafter, and all monies forfeited by defaulting Purchasers will (in such case) be retained by Sponsor in accordance with the Purchase Agreement (but in no event to exceed ten percent (10%) of the Purchase Price). In the event of such abandonment, Sponsor shall promptly submit an amendment to the Department of Law together with form RS-3 as promulgated by the Department of Law. Upon the return to Purchaser or retention by Sponsor of the Down Payment as applicable, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to such Purchaser under this Plan or the Purchase Agreement. In the event of abandonment, no new condominium offering plan relating to the Building shall be submitted to the Attorney General for at least twelve (12) months after such abandonment.

Prior to conveying title to the first Unit, Sponsor may, at its option, declare this Plan abandoned for any reason whatsoever before it is declared effective or the eighty percent (80%) quota and other conditions referred to in the foregoing paragraph are reached and satisfied respectively. Once this Plan has been declared effective, it may not be abandoned after effectiveness except in the event of (i) the existence of a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one half of one percent (0.5%) of the total offering amount; or (ii) a substantial damage to or destruction of the Building or any portion thereof by fire or other casualty which cannot be repaired for less than one half of one percent (0.5%) of the total offering amount; or (iii) the taking of any material portion of the Property by condemnation, or eminent domain. There will be no obligation on the part of Sponsor to incur expenses (except to the extent of up to one half of one percent (0.5%) of the total offering amount in case of defects in title, casualty losses and violations as aforesaid) or engage in litigation to cure the same. Excluded from the dollar amounts set forth in (i), (ii), or (iii) above are title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record. If Sponsor does not abandon this Plan after the occurrence of any of the events set forth

in (i), (ii), or (iii) above, then Sponsor shall be obligated to proceed with this Plan regardless of the cost to cure or repair such items. Whether or not this Plan will be abandoned or the expenses incurred will be in the sole discretion of Sponsor. Any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude at attorneys' fees.

Sponsor shall, on the 30th, 60th, 88th and 90th day after the Presentation Date of this Plan and at least once every thirty (30) days until this Plan is declared effective or abandoned, as the case may be, and on the 2nd day before the expiration of any Exclusive Purchase Period provided in an amendment to this Plan (i) file with the Attorney General, Real Estate Financing Bureau, 28 Liberty Street, 21st Floor, New York, New York 10271, a written statement, under oath, setting forth the percentage of Units in the Building which are the subject of Purchaser Agreements executed by bona fide tenants in occupancy or bona fide Purchasers; or represented that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare this Plan effective. The statement which is posted in the Building and filed with the Attorney General shall include the following: the date and time of the statement, the Filing Date of this Plan, the Presentation Date of this Plan and any current amendment, the last day of any exclusive purchase period, the number of bona fide tenants in occupancy and bona fide purchasers who have executed Purchase Agreements, the number of Units counted in the base and the percentage of Purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and the Attorney General. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

After an amendment declaring this Plan effective has been accepted for filing, Sponsor will fix dates for the Closing to all Units as to which Purchase Agreements are outstanding, in accordance with the provisions of the respective Purchase Agreements. See this Section of this Plan entitled "Terms of Sale" for a discussion on the mechanics of Closing for a Unit.

T. TERMS OF SALE

1. **Preconditions for Closing**

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days' notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's Counsel, Holland & Knight LLP, 787 Seventh Avenue, 31st Floor, New York, New York 10019 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. The Closing to each Unit shall take place only after or concurrently with the following events:

(i) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;

(ii) the recording or filing of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

(iii) either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;

(iv) the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, unless such notice is waived by Purchaser, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(v) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

(vi) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his Unit, and the assignment by Sponsor to the Condominium Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the General Common Elements, Residential Common Elements or Residential Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on

when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit);

(vii) the execution and delivery by Purchaser of the Unit Power of Attorney, the form of which is set forth in Part II of the Plan;

(viii) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the Unit, insuring that (i) Purchaser has fee title to his or her Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his or her Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of his or her Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Title to each unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Plan and the proposed unit deed and set forth below. Title exceptions that will affect the property after closing are described in the Agreement on Exhibit 1. Title exceptions may include any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk, fences, fire escapes, cornices, foundations, footings and

similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Ridge Abstract Co. (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien, or (2) will not be enforced against the Unit if it is not a lien, or (3) will not affect the use and maintenance of the Unit.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of a Unit for residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee, provided the sale is subject to such lease.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board (not controlled by the Sponsor) or another Unit Owner to correct.

16. Covenants, conditions, easements, agreements of records, etc., as follows:

    (a) Party Wall Agreement in Liber 1206 Page 299;

    (b) Railroad Consent in Liber 2215 Page 547;

    (c) Railroad Consent in Liber 3167 Page 57; and

    (d) Subway Stair Consent in Liber 5107 Page 241.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, except if Purchaser is in default under the Agreement, Sponsor shall retain any such sums as and for liquidated damages, within thirty (30) days' notice of such election.

All personal property located within a Unit as of the date the Agreement is executed or located within the Common Elements on the date the Declaration is filed, is not included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

The Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs a Purchase Agreement, subject to ordinary wear and tear, except as otherwise provided in this Plan. Any personal property located within a Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed that is owned by Sponsor is not included in the conveyance, unless specifically excepted in the Plan. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of such Unit, except for repairs which Sponsor was obligated to make prior to the Closing. Each Purchaser will be given a reasonable opportunity to examine the Unit prior to Closing, subject to the rights of any tenant or occupant of such Unit, and is urged to make a careful inspection thereof.

If Sponsor amends the terms and conditions of this offering prior to the closing of the first Unit to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and the Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their respective Purchase Agreements within fifteen (15) days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of a Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except as set forth in the Section of the Plan entitled "Effective Date."

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such

instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgement that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in GBL §352-e to survive the delivery of the deed.

Upon the Closing of a Unit, a Purchaser will thereupon become obligated for the payment of Common Charges, taxes or other assessments charged against the Unit to the Condominium Board (whether or not such Purchaser takes possession of the Unit and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant) (real estate taxes will be payable to the appropriate governmental authority, once the Units are separately assessed).

The existing lease of a tenant who has purchased a Unit will be terminated as of the Closing of Title to such tenant's Unit, and such tenant will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

As of the date of initial presentation of the Offering Plan, the Property is encumbered by a mortgage, which the Sponsor anticipates will be paid from proceeds of the sale of Units. At each Closing, the lender will release its security interest on the Unit that is closing and the lender will continue to have a security interest on the Unsold Units and their appurtenant Common Interests. In the event that the Sponsor fails to meet its obligations under the loan documents, the lender has the ability to foreclose its mortgage or otherwise exercise its remedies under the loan documents in which event the lender or another third party would become the owner of the Unsold Units. However, as long as the owner of the Unsold Units agrees to meet the Sponsor's obligations under the Offering Plan, as subsequently amended, purchasers, who have executed Purchase Agreements but not yet closed, will be obligated to close and Unit Owners, who have previously closed, will not have the right to seek rescission of their sales.

2. **Acceptance of Deed**

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement

a list of incomplete work to be completed in the Unit by Sponsor following the Closing Date, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Unit prior to the Closing shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

3. **Condition of Unit**

The Residential Units are being sold in as-is condition.

4. **Tax-Deferred Exchanges**

Sponsor makes no representation or warranty as to whether a Unit will qualify as part of a tax-deferred exchange and Purchasers should rely on their own tax attorney or accountant for that determination. However, the form of Agreement (Exhibit 1 in Part II of the Plan) provides that in the event a Unit is being acquired by a Purchaser as part of a tax-deferred exchange under §1031 of the Internal Revenue Code, Sponsor shall reasonably assist and cooperate in such tax-deferred exchange, provided, however, that: (i) any action taken in connection with such tax-deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax-deferred exchange) or cooperation on the part of Sponsor in connection with or related to the tax-deferred exchange will frustrate the purpose of the Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under the Agreement or increase any of Sponsor's obligations or duties under the Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of such tax-deferred exchange, to convey any property (other than the applicable Unit), acquire any property, or accept any form of payment in respect of any of the amounts due under the Agreement other than as set forth therein or in the Plan. Purchaser shall indemnify, defend and hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees and expenses) or liabilities incurred by Sponsor in connection with or resulting from the tax-deferred exchange, and such indemnity shall survive the closing of title to the Unit. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of any Unit.

5. **Risk of Loss**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such

Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Down Payment, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Down Payment, together with interest earned thereon.

U. CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Unit. Recording charges, fees and taxes are based on rates in effect on the date the Plan was prepared and are subject to change without notice.

1. **Title Insurance**.

If Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium for title insurance, which will vary depending upon the Purchase Price of the Unit. Purchasers may use a title insurance company of their choice. If Purchaser elects to obtain fee title insurance the current rates in effect from the Title Insurance Company are:

FEE RATE SCHEDULE FOR INSURANCE UNDER $1,000,000

FEE AMOUNT	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.39 per Thousand
From $50,001 to $100,000	$4.39 per Thousand
From $100,001 to $500,000	$3.52 per Thousand
From $500,001 to $1,000,000	$3.21 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OVER $1,000,000

FEE AMOUNT	PREMIUM
First $35,000 or less	$382.00
From $35,001 to $50,000	$6.34 per Thousand
From $50,001 to $100,000	$5.16 per Thousand
From $100,001 to $500,000	$4.14 per Thousand
From $500,001 to $1,000,000	$3.78 per Thousand
From $1,000,001 to $5,000,000	$3.48 per Thousand
From $5,000,001 to $10,000,000	$3.09 per Thousand

Mortgage Title insurance rates are outlined on the schedule below.

MORTGAGE RATE SCHEDULE

FEE AMOUNT	PREMIUM
First $35,000 or less	$327.00
From $35,001 to $50,000	$5.27 per Thousand
From $50,001 to $100,000	$4.31 per Thousand
From $100,001 to $500,000	$3.46 per thousand
From $500,001 to $1,000,000	$3.14 per Thousand

From $1,000,001 to $5,000,000	$2.90 per Thousand
From $5,000,001 to $10,000,000	$2.57 per Thousand

Note: Title insurance rates and fees for recording documents are uniform, and will be the same regardless of the title company used.

2. **Recording Charges**.

A fee for recording the Unit deed and Unit power of attorney. The Title Insurance Company charges $42.00 as a base recording charge plus $5 per page plus $40.00 document service charge and charges a mortgage recording fee (if applicable) at a rate of $42.00 per instrument plus $5 per page and a $40.00 document service charge. Each title company establishes its own additional service fees and surcharges in this regard.

3. **Mortgage Tax Credit**.

If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s).

4. **Transfer Taxes**

Under the Agreement, Purchaser will be required to pay the New York State Real Estate Transfer Tax applicable to the transaction (the "State Transfer Tax"). The State Transfer Tax currently is $2.00 per $500, or fractional portion thereof, plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing. Under the Agreement, Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax") applicable to the transaction and complete the RPT Tax return in connection therewith (the State Transfer Tax and the RPT Tax are referred to in this Plan collectively as the "Transfer Taxes"). The RPT Tax rate currently is 1% of consideration for individual Units priced at $500,000 or less and 1.425% of consideration for individual Units priced at more than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which currently is in the amount of $125.

Purchasers are advised that the New York City Department of Finance takes the position that higher, commercial RPT Tax rates apply if Purchaser purchases more than one Unit. The commercial rates currently are 1.425% for purchases with a consideration of $500,000 or less, and 2.625% for purchases with a consideration of more than $500,000. Purchasers of two (2) or more uncombined Unit will be required to pay the RPT Tax at the applicable higher rate.

Without a contract provision making purchasers responsible for payment of the Transfer Taxes, payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides, as does the Agreement, that the purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the Purchase Price listed in the Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax have been recalculated based upon this "grossed up" Purchase Price. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the State Transfer Tax amount will not be included as additional consideration for purposes of calculating the State Transfer Tax. For purposes of calculating the taxes payable, the amounts of, in the case of New York State, the RPT Tax, and in the case of New York City, the RPT Tax and State Transfer Tax, which are the primary obligation of the seller but are paid by Purchaser, will be included in the consideration subject to tax on a "grossed up" basis. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two or more Units simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Closing Agent by Purchaser as discussed above.

The foregoing discussion is not a representation or warranty that New York State and/or New York City will continue to compute the Transfer Taxes owed them by use of the policies, practices, formulas or rates described above, or that Sponsor will so compute the Transfer Taxes. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

The steps to compute the tax are:

(i) Multiply the Purchase Price by the RPT Tax rate to compute the City tentative tax.

(ii) Multiply the Purchase Price by the NYS Tax rate to compute the tentative NYS Tax.

(iii) Add the tentative taxes to the Purchase Price.

(iv) Multiply the sum of (iii) by the RPT Tax rate to determine the RPT Tax payable.

(v) Add the tenantive tax in (i) to the Purchase Price and multiply the sum by the NYS Tax rate to determine the NYS Tax payable.

5. **Mansion Tax and New Supplemental Tax**.

If the Purchase Price of the Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", will be payable by Purchaser. The Mansion Tax is 1% of the total consideration of the Unit. Purchase Price and transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a residential unit priced at $985,000, where purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. New York State has also adopted a new supplemental tax in instances when the Purchase Price of the Unit is $2,000,000 or more. The supplemental tax ranges from 0.25% to 2.9% of the total consideration.

Collectively, the Mansion Tax and new supplemental tax is currently payable by Purchaser as follows:

Tax Rate	Consideration
1%	$1 million up to $2 million
1.25%	$2 million up to $3 million
1.5%	$3 million up to $5 million
2.25%	$5 million up to $10 million
3.25%	$10 million up to $15 million
3.5%	$15 million up to $20 million
3.75%	$20 million up to $25 million
3.9%	$25 million and above

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION.

Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

Purchaser shall also pay any tax in addition to the Mansion Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax.

6. **Closing Fees**.

The legal fees of Sponsor's Counsel in the amount of $3,500 due at Closing. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Sponsor's Counsel or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith, if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing, $250 for the preparation of ACRIS transfer documents required by the City of New York, and Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code, and, if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Sponsor's Counsel customary rates. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis by Sponsor's Counsel customary rates. In connection with the Closing of a Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

7. **Working Capital Fund**.

A contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then in effect for the Residential Unit, as the same may be amended from time to time. The contributions are not refundable on sale of the Unit.

8. **Common Charges**.

In addition to the contribution to the Working Capital Fund by the Purchaser of a Residential Unit as described in paragraph (7) above, Purchaser will pay to the Condominium Board the Residential Common Charges for the Residential Unit for the first full month following the month in which title closes. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Condominium Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within thirty (30) days after notice from the Condominium Board, deposit with the Condominium Board the amount so applied or retained so that at the option of the Residential Committee, the applicable Board shall have the full amount of said security on hand at all times.

9. **Mortgage and Related Costs**.

If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (e) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or are to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and

insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in July 2025 and assuming the Purchase Price is $600,000 and the form of documents in the Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

(1) Fee to record Unit deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 6 pages + 1 cover page) at a rate of $42 for each instrument plus $5 per page plus a recording charge for the RP5217 NYC form.	$82.00
(2) Title insurer's service charge and recording fee to record the Unit deed and Unit Owner's power of attorney	$200.00 (estimated & approximate)
(3) New York State transfer tax at the rate equal to the Adjusted Purchase Price (See Example above) x .4% (rounded up to the nearest $500)	$2,400.00
(4) New York City transfer tax (at the rate of 1% of an Adjusted Purchase Price of $500,000 or less or at a rate of 1.425% of an Adjusted Purchase Price of more than $500,000)	$8,550.00
Total projected mandatory Closing costs:	$11,232.00 (estimated & approximate)

*Note: This figure does not include the required Working Capital Fund payment which is equal to two (2) months' projected Common Charges or the legal fee due Sponsor's Counsel. In addition, governmental recording fees may vary from time to time. Additional title company service charges (if any) may also be imposed depending on the title agent or insurer.

Example: Elective Closing Costs

Assuming the purchase of the Unit is financed with a mortgage loan for $400,000 and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender, Purchaser would pay the following projected elective Closing costs based upon rates in effect as of July, 2025 (all amounts are approximate):

(1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	$7,170.00

(2) Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company.	$182.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$25.00
(4) Premium for fee and mortgage title insurance.	$2,850.00
(5) Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of $250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses)	$5,270.00
(6) Allowance for title closer gratuity and contingencies.	$200.00
Total projected elective closing costs:	$15,697.00 (estimated and approximate)

*Note: This projection does not include: (a) escrows for real estate taxes, Common Charges or other sums that might be required by Purchaser's mortgage lender, (b) a travel fee to Sponsor's Counsel in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's Counsel or (c) a fee to any attorney Purchaser may engage.

Purchaser's actual Closing costs will be based upon the applicable governmental and title company rates in effect on the Unit Closing Date.

The foregoing projections of mandatory and elective Closing costs are not guaranteed. Although the projections are believed to be reasonable, there are a number of unknown factors (such as the mortgage loan Closing costs, which may vary widely amongst different lenders). As a result, the actual Closing costs may be higher or lower, perhaps substantially, than those projected.

All legal costs, fees and expenses of Sponsor's Counsel, other than those specifically set forth above, will be the sole responsibility of Sponsor.

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been

separately assessed for real estate tax purposes the Unit Owners will pay a pro rata share (in the proportion that such Units' Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board and/or Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers – Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority. Real estate taxes will be included as Common Charges until the Units are separately assessed. Following separate assessment of the Units, the Unit Owners will be reimbursed for any overpayment of taxes, or assessed for an underpayment, as described in the By-Laws.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.04% of the Purchase Price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the Effective Date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor.")

10. **Fees for Delay**

If Purchaser is not ready to exercise the option granted under the Agreement and close on the Original Scheduled Closing Date, but ultimately exercises the option and closes thereafter, (i) all adjustments made at the Closing will be made as of the Original Scheduled Closing Date and (ii) Purchaser shall pay to Sponsor (or anyone Sponsor designates) at the Closing, by unendorsed personal certified check or bank check, in either event drawn on a bank that is a member of the New York Clearing House Association, an amount equal to 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) of the Purchase Price multiplied by the number of days that the Closing is delayed, beginning with (and including) the Original Scheduled Closing Date and ending with (and including) the actual Residential Unit Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the Residential Unit Closing Date. However, the provisions shall

apply to any postponements by Purchaser of Purchaser's exercise of the option, and the Closing, beyond the Original Scheduled Closing Date. Sponsor reserves the right to waive any or all provisions of this paragraph in connection with an Agreement.

11. **Other Fees**

In addition to the foregoing, Purchaser also will be required to pay the fees of all professionals, including attorneys employed or retained by Purchaser, in connection with the purchase of a Residential Unit. If Purchaser obtains a loan to finance the purchase, Purchaser will be required to pay all fees associated with the loan.

V. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations with Respect to the Building

Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following: (i) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with this Offering Plan and the Purchaser's Purchase Agreement. Sponsor shall not be obligated to correct and will not be liable to any condition in the Building or the applicable Residential Unit unless Sponsor agreed to do so in the Purchaser's Purchase Agreement.

The Residential Units are being sold in their "as is" condition.

Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement in the event the closing of a Unit does not occur on a specific date. In the event that the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected Budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected first year of operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Down Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable Law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the

Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

Purchasers should also note that even if the First Closing occurs on approximately July 1, 2026 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreements and after the closing of the first Unit. In such a case, 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 substantial delays and will not be excused from paying the full Purchase Price for the Unit.

Each Unit and the fixtures and personal property contained therein are being sold and delivered in its "as is" condition described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work to be completed in the Unit by Sponsor following the Closing for the Unit in question but all such obligations to complete work in the Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain an amended Certificate of Occupancy.

Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Units or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor is obligated to deliver the Building in accordance with all applicable Laws and the provisions of this Offering Plan. Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Residential Units, the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering. Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided, however, that: (ii) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially equal or better quality or design; and (iii) Sponsor shall not (1) materially change the size or location of the Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or materially adversely affect the value of any Unit to which title has closed or for which an Agreement has

been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

Prior to the Closing of title for each Unit, Sponsor will cause such Unit and its appurtenant Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchaser).

Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium and the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor.

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

Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit Owners in any such action or proceeding.

Sponsor will deliver to the Condominium Board such mechanical, electrical and plumbing drawings for the Building that it has in its possession.

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

Sponsor will pay all Common Charges (or as applicable, operating expenses), special assessments and real estate taxes allocated to any Unsold Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of offered Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of the Board") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan

or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer to an investor of ten (10) or more Units or twenty (20%) percent of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Residential Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law or regulations.

All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the Closing of each Unit will survive delivery of the deed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time any such risk not covered by Sponsor's insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be made within six (6) months of the casualty, in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Sponsor will endeavor in good faith to sell all of the Residential Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Residential

Units. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. The Sponsor may retain ownership of the Non-Residential Unit and may, decide to rent certain Residential Units from time to time. Therefore, it is likely, but there is no guaranty, that the Residential Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws).

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personality or fixtures contained therein.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor contracted to sell a Unit. By operation of Law, Sponsor appointed Board Members have a fiduciary duty to the Unit Owners. In addition, obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Notwithstanding anything to the contrary contained in the Plan, the sponsor's obligation, regardless of any limitations in any warranty provided to a Purchaser or the Condominium Board or otherwise set forth in the 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.

The property is encumbered by a mortgage held by J.P. Morgan Chase Bank, N.A. ("Sponsor's Lender") having an address of 700 Kansas Lane MC 8000, Monroe, Louisiana 71203. At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Sponsor's Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the loan documents. There are minimum release prices for each Unit set by Sponsor's Lender that must be paid to Sponsor's Lender at Closing in order for Sponsor's Lender to release its lien from the Unit being sold. Sponsor's Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective.

2. **Alterations of Unsold Units**

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit(s); (ii) change the use (subject to compliance with all Laws, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Unit(s) from time to time; (iii) change the size and/or number of Unsold Unit(s) by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating the use of any portion of the Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element (v) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (vi) use any Unsold Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental Laws and regulations as to any such use. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

Notwithstanding the foregoing, no material adverse change will be made in a Unit's size, layout or percentage of Common Interest if an Agreement has been executed by Purchaser and countersigned by Sponsor and returned to the Purchaser, provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the presentation date, to rescind their Agreement(s) and receive a prompt refund of their Down Payment(s), together with all interest earned thereon.

The Common Interest of a Unit may change if there is a change in the floor space or additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements, for exclusive or shared use and the overall dimensions of a particular Unit.

Furthermore, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Condominium Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by Law, obtains insurance, as required and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion.

3. **Insurance**

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By Laws (see "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I below), the cost of which insurance has been reflected in the Budget set forth as Schedule B in Part I. To the extent any policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

4. **Casualty**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or

other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Down Payment, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Down Payment, together with interest earned thereon.

5. **Dissolution**

In the event of the dissolution or liquidation of Sponsor, or the transfer of ten (10) or more units or twenty percent (20%) or more of the total number of units in the Condominium, whichever is less, to a single Purchaser, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan and applicable Legal Requirements.

6. **Successors to Sponsor**

Sponsor reserves the right to sell ten (10) or more Units twenty percent (20%) or more of the total number of units in the Condominium and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Units under this Plan, applicable Laws or regulations.

7. **Reservation of Air and Development Rights**

As further described in the Declaration and By-Laws, all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any renovation of the Building prior to the First Closing will be allocated to the Development Rights Unit ("Development Rights Unit"), which will initially be owned by an

affiliate of Sponsor. As a result, unless Development Rights are separately acquired therefor on behalf of the Building or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Residential Unit by any Residential Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, the Development Rights Unit Owner, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such transfer or sale. There currently are Development Rights appurtenant to the Property, however the Development Rights will not be used to add additional floors to the top of the Building or to physically expand the Building.

The Development Rights will not be used subsequent to the First Closing to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Residential Unit Owner's views and exposure to light may be affected.

8. **Right of Access**

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

9. **Miscellaneous**

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be

the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall be subject to such easement. Sponsor is obligated to indemnify the Condominium in connection with Sponsor's exercise of this easement. Any additional insurance costs/coverage needed in connection therewith will be borne solely by Sponsor. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

10. **General**

Sponsor's representations, warranties and covenants under the Plan and under the GBL, which are required to be performed subsequent to the closing of title to a Unit will survive the delivery of the deed to such Unit only for the time periods set forth in this Plan or as otherwise required by Legal Requirements. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Units will survive for as long as Sponsor owns the same.

Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit Owners in any such action or proceeding.

The obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the presentation date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell

all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time after the consummation of the Plan.

Sponsor agrees to deliver a set of "as-built" plans to the Condominium Board.

W. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Units will, at its option, have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of Residential Units representing more than 50% of the Common Interests or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board. Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Board unrelated to Sponsor.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Commencing with the First Annual Meeting, the Board shall consist of five (5) members elected by the Unit Owners including the Sponsor and one (1) person designated by the Non-Residential Unit Owner. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall also have the right, at its option, to designate at least one member of the Board.

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Residential Unit Owners may never gain control of the Condominium Board and the First Annual Meeting may never occur because Sponsor has the unlimited right to rent.

Until Sponsor or its designee has conveyed title to more than seventy-five (75%) of all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency for repairs or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow

money on behalf of the Condominium or on behalf of the Building, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" (the "Budget") or over expenses required (i) to comply with applicable Laws or regulations; or (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer, or (iv) any matter affecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty five percent (25%) of the Common Interest, whichever is sooner.

To the extent there are members of the Board appointed by Sponsor, such Board members may be required to refrain from voting on any issue before the Board which involves the decision to sue Sponsor, pursuant to *Park River Owners Corp. v. Bangser Klein Rocca & Blum, 269 A.D.2d 313, 703 N.Y.D2d 465* (1st Dept. 2000); McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, pocket part, page 193; and BCL 713(a)(1).

X. CONDOMINIUM BOARD

The affairs of the Building shall be governed by the Board, which during the Initial Control Period, shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board. The initial member of the Board shall be Hesky Brahimy, Samy Brahimy and James Wagman. All members of the Board are principals of Sponsor.

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of the Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. At the First Annual Meeting, the incumbent Board members shall resign and the Unit Owners shall elect five (5) members to the Condominium Board (See the Section entitled "Control by Sponsor"). One (1) Board member will be designated by the Non-Residential Unit Owner. Thereafter, at each annual meeting, five (5) Residential members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. The five (5) Residential members of the Board elected by the Residential Unit Owners shall make all decisions relating to the Residential Units.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 25% in Common Interests of Unit Owners.

At the option of the Board, Annual Meetings and Board Meetings can be held virtually using Zoom or other technology.

Except for Board members designated by Sponsor or its designee, all members of the Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the Board if, during his or her term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential members of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

As more fully set forth in the By-Laws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the five (5) Residential members of the Condominium Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time

pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Building to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

The initial members of the Board will be affiliated with the Sponsor or its principals and described in the Post Closing Amendment to the Plan. The Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, any significant expenditure by the Board must be countersigned by two members of the Board.

The term of office of the members of the Board shall be for one year or until their successors are elected. Members of the Board shall serve without compensation. Any member of any Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party; provided, however, that this provision respecting Unit ownership and Board membership shall not apply to members of the Board designated by Sponsor or its designee.

Upon the affirmative vote of a majority of the members of a Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide to the extent permitted by applicable Law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, or the Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a

Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member and each Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, as defined in the Declaration, if any, are obtained, any provision of the Declaration after it has been filed, By-Laws after it has been filed or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Owner(s), with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Units or affecting the rights, privileges, easements, licenses or exemptions granted to any Owners, (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Units with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

Y. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD

1. Sales and Leases of Units

Each Residential Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Unit accompanied by a fully executed copy of the contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be (the "Offering Notice") and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within twenty days after receipt of the Offering Notice, the Transferor will have the right to sell or lease the Unit pursuant to the terms contained in the Offering Notice within sixty (60) days thereafter. In the event such sale or lease is not consummated within said sixty-day period, the Transferor will be required to again first offer the same to the Board, provided that the Board shall be entitled to waive, or to permit an extension of such sixty day period. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present unless the Board is assigning its option to a third party so the Condominium's funds will not be utilized, in which event the vote is not required. The Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the Board has the right to reject sales and leases to purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by Law.

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board, and that the Board, if permitted by applicable Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws. No lease of a Unit shall have a term of less than one (1) year.

Any purported sale or lease of a Unit in violation of this section shall be voidable

at the election of the Board.

The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

A Unit Owner may lease, sell or convey his or her Unit to a spouse, domestic partner, adult child or grandchild, parent, grandparent or adult sibling; may convey his or her Unit by gift; may devise his or her Unit by will; or may have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey his or her Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The restrictions upon the sale and lease of Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Units, to the Board, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements and the Limited Common Elements, (b) any Unit or Units acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building and the Condominium.

No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, the Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

So long as Sponsor owns at least one (1) Unsold Residential Unit, Purchaser hereby covenants and agrees that it shall not, (a) prior to Purchaser's acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease and (b) for a period of twelve (12) months after the acquisition of the Unit, sell the Unit without Sponsor's written approval. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements.

2. **Use of Units**

The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Unit and complies with all applicable governmental regulations.

Each Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years of age or less lives or resides (even temporarily) in the Unit. The Unit Owner, or the Board at such Unit Owner's expense, shall install the required window guards in all windows of the Unit. The Unit Owner shall maintain all window stops installed in the windows of each Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

Smoking shall not be permitted anywhere on the Property including in Residential Units and in Back Yards. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium (including legal fees) in enforcing this provision.

Sponsor or its designee may, without the permission of any Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, does not violate the then existing certificate of occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning Law permits a person who resides in a Unit to use up to 25% of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations

including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by Law.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. All valid Laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit, except that these sign restrictions shall not apply with respect to Unsold Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Board. No radio or television aerial, satellites or other similar device shall be erected by Unit Owners on the roof or exterior walls, windows or Back Yards of the Building or on the Property without obtaining in each instance the written consent of the Board.

Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, the Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Board adopted with respect thereto; and (c) clean up after their pet.

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

3. **Mortgage of Units by Unit Owners**

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the applicable Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. The Sponsor shall have the right to mortgage any unsold Unit without any restriction or limitation.

As more particularly set forth in the By-Laws, in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee and any mortgagee of Sponsor, its designee or affiliates, (ii) a bank, trust company, insurance company, real estate investment, mortgage trust, investment bank, trustee of a securitization or any other mortgagee, generally in the business of making real estate condominium loans, or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

4. **Common Charges: Determination and Assessment**

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Residential Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements or the Limited Common Elements. In addition, the Common Charges include the Unit Owner's allocable portion of the Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are 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. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Unit.

Common Expenses which include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Board. Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the

Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

At least annually the Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to meet such expenses.

The Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board to which they are payable, Common Charges and Common Charges will be payable monthly in advance on the first day of each month.

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing, neither the Board nor the Board may, without Declarant's prior written approval assess any Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

5. **Common Charges: Collection and Lien for Non-Payment**

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges, against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the (acting on behalf of all Unit Owners or all Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if the Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his or her Unit without consideration to the Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges and Common Charges thereafter accruing.

On a resale of a Unit, the seller thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his or her acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

6. **Repairs to and Maintenance of Units and Common Elements**

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements or Limited Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Board. Back Yards (collectively, "Back Yards") are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Back Yard is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. All normal maintenance and cleaning of any Back Yard shall be made by the Unit Owner having access to such Back Yard at the Unit Owner's own cost and expense, and any structural or extraordinary repairs or replacements to such Back Yard shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense. Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Back Yards. Moreover, Back Yards must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Units therein. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building

and the health and safety of the occupants. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such negligent Unit Owner, as the case may be).The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default.

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

In addition, the Rules and Regulations require that at least eighty (80%) percent of the floor area of Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

7. **Alterations and Improvements of Units and Common Elements**

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the appropriate Board. The Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document 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, if necessary, by the Board. The Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Board and

the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, 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 any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of a Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

Notwithstanding anything contained in the By-Laws to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

Generally all alterations or improvements in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

8. **Rights of Access**

As more fully set forth in the By-Laws, the Board and any managing agents, managers, Superintendent and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes 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 made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an 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, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing work listed on the executed inspection statement or for the purpose of performing or completing construction in the Building.

9. **Compliance with Terms of Declaration, By-Laws and Rules and Regulations**

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to Section 339-j of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by Law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

10. **Examination of Books and Records**

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, 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, but not more frequently than once each calendar quarter. The Condominium, Residential Committee, and Managing Agent shall not release the books and records of the Condominium containing any email address, mailing address or telephone number of a Unit Owner if such Unit Owner has requested in writing that such information not be made public.

11. **Repair or Reconstruction after Fire or Other Casualty**

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board with respect to any damage to or destruction of the Building, and the Board with respect to any damage to or destruction of the Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to reduce unpaid liens on his Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests. In either event, no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. This option must be exercised within sixty (60) days after the insurance proceeds are paid and must

close within ninety (90) days thereafter.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Board shall be payable to the Board entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less.

12. **Insurance**

The Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to the aggregate Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) fidelity insurance covering the Board and all officers, directors and employees of the Condominium; (h) directors and officers liability coverage; and (i) such other insurance as the Board may determine. Each Unit Owner shall be an additional insured.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the amounts set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit or within the Limited Common Elements, if any, exclusive to his or her Unit. The Board shall review such limits not less than once each year. Until the first meeting of the Board following the

First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units, and Limited Common Elements appurtenant thereto. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

13. **Liability of Condominium Board and Unit Owners**

Every contract made by the Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Unit Owners, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners, if applicable) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall

have no liability to Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. Any Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

14. **Reports to Unit Owners**

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four months after the end of each fiscal year.

15. **Termination of Condominium**

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. **Confidential Information**.

Neither the Board nor the Managing Agent shall release the personal contact information of a Unit Owner if the Unit Owner indicates in writing that the information is confidential.

17. **Units Acquired by the Board**

All Units acquired or leased by the Board or its designees shall be held by the Board, or its designee, on behalf of all Unit Owners, and the rent or Purchase Price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Board shall carry any voting rights.

The purchase of any Unit by the Board or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his or her respective Common

Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

18. **Procedure to Review Real Estate Tax Assessments**

The Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

19. **Mechanics' Liens**

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

20. **Litigation**

The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of three-quarters of the Units and the owners of three-quarters of the percentage interests in the Common Elements.

21. **Easements and Name of Condominium**

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair

and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "The Portland Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of any Board or Unit Owner.

22. **The Declaration and By-Laws**

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

23. **Sponsor's Right to Lease Unsold Units**

Subject to the rights of Eligible Tenants and applicable Legal Requirements, Sponsor has reserved the unconditional right to rent or lease any Unit prior to Closing, to the Purchaser or any other party, and to cease marketing Units for sale at any time. However, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, a Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once a Purchase Agreement is signed for a Unit and for so long as such Purchase Agreement is in effect and except with respect to Units that are occupied by Non-Purchasing Tenants, such Units may be leased only to the Purchaser listed in the Purchase Agreement. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium Board.

Z. REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his or her pro rata share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

It is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $523,832.00, based on an opinion prepared by Goldberg Weprin Finkel Goldstein LLP (Sponsor's real estate tax counsel), dated January 30, 2025 which assumes (a) an estimated taxable assessed valuation attributable to the entire Property of $3,906,948 for the 2026/2027 fiscal tax year, (b) an estimated taxable assessed valuation attributable to the entire Property of $3,498,739 for the 2027/2028 fiscal tax year, (c) a projected residential tax rate of 12.594% and (d) a projected commercial tax rate of 10.843%. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the first tax year after completion of construction and second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. It is estimated in the opinion of letter of Goldberg Weprin Finkel LLP, that for the second year of Condominium operation the residential units' real estate taxes is estimated to be $440,561.00.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Residential Unit has been determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the projected sales price of each Residential Unit as set forth in the Plan by the total aggregate projected sales price of all Residential Units. Please refer to the opinions of Holland & Knight LLP and Goldberg Weprin Finkel Goldstein LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes. In order to determine the Unit's Real Estate Taxes at any time after the Condominium if formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www1.nyc.gov/site/finance/taxes/calculating-your-property-taxes.page.

The By-Laws provide that the Condominium Board is entitled to execute and deliver

documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's aggregate assessed valuations during the First Year of Condominium Operation and applicable tax rates projected by Sponsor's real estate tax consultant, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment or (iv) that the Property Division of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with relative common interests of the Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Units as estimated by Sponsor's real estate appraiser and as set forth above in this Section V. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I above for further discussion.) After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the

Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Condominium Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed to each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided above.

AA. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Residential Units by purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Unit by an individual resident of New York City for use as a qualified residence, as further described herein. It does not address, among other things, the tax consequences that might result from the ownership of a Unit by a taxpayer who is not an individual and a resident of New York City, including corporations and other entities, and foreign individuals or entities. It also does not address the tax consequences that might result from the ownership of a Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

HOLLAND & KNIGHT LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THIS PLAN.

1. Deductibility of Mortgage Interest and Real Estate Taxes

Each Residential Unit Owner will own his or her Residential Unit and its appurtenant interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Residential Unit Owner will own his or her Residential Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Holland & Knight LLP that a Residential Unit Owner who uses his or her Residential Unit as a personal residence and itemizes his or her deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion, some of which are discussed below. Purchasers should note that mortgage interest is deductible, for Federal purposes, only with respect to secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $750,000). New York State and New York City allow interest on such debt up to $1,000,000 to be deductible along with interest on debt of up to $100,000 for certain home equity expenditures, as more particularly discussed in the Attorney's Income Tax Opinion. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions. Purchasers should also note that for Federal tax purposes, deductions for property taxes and state and local income taxes during the period 2025 through and including 2029 for calendar year taxpayers, are limited to a combined total of $40,000, with reductions in such limit to an amount

not less than $10,000 for taxpayers with modified gross income in excess of $500,000 (as modified) in any such year. For taxable years commencing 2030 and thereafter, the $40,000 limit drops to $10,000 regardless of taxpayer income levels. For New York State and New York City income tax purposes, property taxes are deductible without the limits prescribed under Federal law, but more stringent overall limits on deductions apply to taxpayers with income levels above prescribed amounts. Section X of the Plan, the Attorney's Income Tax Opinion, provides greater details of the mortgage and interest deductions.

2. **Taxation of the Condominium**

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from the Commercial Unit Owner, and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax Laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Holland & Knight LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Holland & Knight LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

BB. INCOME TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

787 Seventh Avenue, 31st Floor | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or Marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

August 13, 2025

Fulton Street Associates LP
c/o IBEC Building Corp.
90 Broad Street, Suite 2003
New York, New York 10004

Re: Condominium Offering Plan
The Portland Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Residential Units, any Residential Unit that is used for mixed residential/Commercial purposes, or any Units other than the Residential Units (such as the Commercial Unit), or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Mortgage Interest and Real Estate Tax Deductions - Federal

On December 22, 2017 President Trump signed into Law legislation commonly known as the Tax Cuts and Jobs Act (the "TCJA"). The TCJA made changes to the Code that, with respect to the deduction for state and local property taxes, sales, and state and local income taxes (the "SALT" deductions) imposed certain dollar limits. The TCJA SALT limits were generally effective for individual calendar year taxpayers for the period January 1, 2018 through December 31, 2025 at which point, starting in 2026, the more favorable SALT provisions in effect prior to 2018 (no limitations) again would have become effective.

On July 4, 2025 President Trump signed into Law P.L. 119-21 commonly known as "The One Big Beautiful Bill Act" (the "OBBB"). The OBBB made numerous changes to the Code including the TCJA SALT provisions. The $10,000 annual limitation for SALT deductions under the TCJA legislation is itself repealed and replaced under the OBBB with a transitory provision (for calendar year taxpayers 2025 through and including 2029) that does not at its conclusion revert back to the more favorable pre 2018 regime. The OBBB limits the SALT deductions to a $40,000 annual limitation with a 1% yearly increase during the transitory period, for taxpayers with annual modified adjusted gross income ("MAGI") of $500,000 or less ($250,000 in the case of married individuals filing separately). There is a phaseout reduction in the SALT allowance for taxpayers with MAGI above those amounts, with a 1% yearly MAGI increase during the transitory period for purposes of the phaseout, of 30% for each dollar of excess income above $500,000 ($250,000 in the case of married individuals filing separately, as yearly adjusted), not to go below $10,000. Thus, the SALT deduction for taxpayers with annual MAGI of $600,000 or more during the first year of the transitory period under the OBBB ($350,000 in the case of married individuals filing separately) would be $10,000. Thereafter, starting in 2030 for calendar year taxpayers, the SALT limitation permanently reverts to $10,000 regardless of MAGI.

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes his or her deductions for any of the years 2025 through 2029 will be entitled under current Law to deduct from his or her gross income for Federal income tax purposes for such years, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to an overall limitation under the OBBB of $40,000, as adjusted downward for MAGI levels in excess of $500,000 ($250,000 in the case of a married individual filing separately) to no less than $10,000, for the aggregate of state and local property taxes, sales, and state and local income taxes paid or accrued for such year. The itemized deductions will further be subject to an

overall limitation on itemized deductions as set forth in Section 68 of the Code as reintroduced to the Code, with adjustments under the OBBB, effective for taxable years starting in 2026. Since the deductions for state and local taxes are restricted under the OBBB through 2029 and restricted further commencing in 2030 and thereafter to $10,000, and since Section 68 of the Code may apply further limitations to certain taxpayers, Residential Unit Owners affected by such limitations should consider whether to claim the standard deduction in lieu of electing to itemize deductions. In determining whether to itemize deductions, the OBBB increases the standard deduction to $31,500 for married individuals filing a joint return, $23,625 for head of household filers, and $15,750 for all other taxpayers. Further, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the alternative minimum tax to the deductibility of real estate taxes and whether to claim the standard deduction instead.

Under the TCJA a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to, for debt incurred on or after December 15, 2017, a maximum of $750,000 in indebtedness for any period ($375,000 in the case of a married individual filing a separate return). The OBBB retains those limitations commencing, for calendar year taxpayers, in 2026. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled to deduct from his or her gross income for Federal income tax purposes, interest paid or accrued by him or her on acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return) with respect to his or her Residential Unit. Such Unit Owners should also consider whether to take the increased standard deduction allowed under the OBBB and discussed in the tax deduction portion of this letter, in lieu of electing to itemize deductions. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans.

Mortgage Interest and Real Estate Tax Deductions – New York State and City

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes as such real estate tax and mortgage interest deduction provisions of the Code existed prior to the enactment of the TCJA. This essentially permits, with respect to the property tax deduction, a deduction for the full amount

of the allowable taxes paid or accrued unreduced by the 10% and 40% limits imposed by the TCJA and OBBB respectively, and with respect to the mortgage interest deduction, the enhanced $1,000,000 of acquisition indebtedness amount rather than the the lower $750,000 amounts in the TCJA and OBBB in the relevant periods. Interest paid on certain "home equity" indebtedness, not to exceed $100,000, would also be deductible. However, under New York State and New York City income tax Law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

Section 528 Homeowners Association

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that 98% of the total square footage of all Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. In making that determination, we note that the Condominium has not been constructed and that either a decrease in the square footage of the Residential Units from that shown in Schedule A to the Plan, or an increase in the square footage of the Commercial Unit from that shown in Schedule A to the plan, or a

combination of both, when constructed may cause the square footage of all Residential Units of the Condominium to be less than 85% of the total square footage of all Units. If that should be the case, the Condominium will not be eligible to elect to be treated as a homeowners association. Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2027 (the "2027 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current Law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2027 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2027 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2027 Taxable Year, or the expenses for non association property increases by a small amount in the 2027 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2027 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2027 Taxable Year.

Absent the application of Code Section 528, the present state of federal Law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board (the "Board") will each act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State Law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

Section 528 Homeowners Association – New York State and City

The precise tax status of the Condominium for New York State and New York City tax

purposes is also unclear. The relevant New York State and New York City Laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* * * * * * * * * * * * * * * * * * * *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the Laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of Law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax Laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional Law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan

Very truly yours,

Holland & Knight LLP

CC. 339-I OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

787 Seventh Avenue, 31st Floor | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

August 13, 2025

Fulton Street Associates LP
c/o IBEC Building Corp.
90 Broad Street, Suite 2003
New York, New York 10004

Re: The Portland Condominium
104-112 South Portland Avenue
Brooklyn, New York (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the above referenced Condominium as required by NYCRR Section 23.3(aa)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by D&D Management Services as set forth in its opinion contained in the Plan as required by NYCRR Section 23.3. We have made no independent investigation of the truth or accuracy of the factual determinations of D&D Management Services.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., 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.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of Law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

The opinion expressed herein is based solely on New York Law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Holland & Knight LLP

DD. REAL ESTATE TAX OPINION OF GOLDBERG WEPRIN FINKEL GOLDSTEIN LLP

GOLDBERG WEPRIN FINKEL GOLDSTEIN LLP
ATTORNEYS AT LAW

ANDREW W. ALBSTEIN*
STEVEN R. UFFNER
KEVIN J. NASH
IRIS A. ALBSTEIN
DOUGLAS TAUS
ROBERT W. LO SCHIAVO*
ELIZABETH SMITH*^
KATHARINE M. FINCH+
MATTHEW E. HEARLE
AUBREY E. RICCARDI*
ANTHONY J. SCHLUR
DANIEL J. SLATZ
YAN LAURENCY
STEWART A. WOLF*
ERIK ZARATIN+

J. TED DONOVAN
SERGIO J. TUERO*
JAY E. SIMENS
BRIAN W. KEMPER
NEIL I. ALBSTEIN*
JARED STEINBERG
ELLIOT FINK
ERIKA VITANZA
CYNTHIA ALBSTEIN

125 PARK AVENUE
12TH FLOOR
NEW YORK, NY 10017
(212) 221-5700

ROBERT KANDEL
BENJAMIN C. KIRSCHENBAUM
(OF COUNSEL)

EMANUEL GOLDBERG (1904 - 1988)
JACK WEPRIN (1930 - 1996)
BENJAMIN FINKEL (1905 - 1986)

* ALSO MEMBER OF NEW JERSEY BAR
^ ALSO MEMBER OF MASSACHUSETTS BAR
\+ ALSO MEMBER OF CONNECTICUT BAR

January 30, 2025

Fulton Street Associates Limited Partnership
90 Broad Street, Suite 2003
New York, NY 1004

Re: Real Estate Tax Opinion Letter
The Portland Condominium
680-686 Fulton Street & 104-112 South Portland Avenue
Brooklyn, Block 2114, Lot 23

Dear Mr. Brahimy:

We write this letter in response to your request for the estimated assessed values and real estate taxes for the property located at 680-686 Fulton Street and 104-112 South Portland Avenue, Brooklyn, which is identified on the tax map of the City of New York as Brooklyn, Block 2114, Lot 23 (the "Property"), after the Property is converted into a condominium association. For the purpose of incorporating into your offering memorandum, you have requested our opinion as to the following:

- An estimate of the real estate taxes for the first year of operation of the condominium for the period of July 1, 2026 to June 30, 2027.
- An estimate of the real estate taxes for the second year of operation of the condominium for the period of July 1, 2027 to June 30, 2028.

In preparing this letter, your office provided us with a general description of the project, detailed floor and unit plans, an architect's description of property and building condition, and a common interest percentage schedule. In addition to our review of the information provided by your office, we also considered New York State and New York City (the "City") rules and regulations relevant to the assessments of real property, available market data, and recent assessed values of similar buildings in the Property's area.

I. Scope of Opinion

Upon conversion, the Property will be a four-story mixed-use residential/retail condominium building located in Fort Greene neighborhood of Brooklyn. The Property will measure 36,047 gross square feet ("sf") and contain 45 residential condominium units measuring 33,577 sf and two retail units measuring 2,470 sf. The 45 residential units will be located on the first through fourth flours and include studio units, one-bedroom units, and two-bedroom units. The 45 residential units will include one unit for the superintendant. The Property will include a cellar that contains mechanical space, storage units, and four recreation rooms with entrances to one-bedroom residential units located on the first floor. The Property will not contain parking.

Your office estimates that the Property will transfer to a condominium association in June 2026 and that condominium operations will begin on July 1, 2026. According to information provided by your office, the conversion from rental building to condominium will not include construction costs and no building plans have been filed with the New York City Department of Buildings ("DOB"). Additionally, your office has instructed us that there will be no need for DOB to grant a new certificate of occupancy for the Property because the project does not incorporate construction.

We note that the Department of Finance's ("DOF") measurement of the Property utilized for DOF's 2024/2025 assessment of the Property was 36,047 gross square feet, which includes 33,577 residential sf and 2,470 retail sf. Your office has advised us that the appropriate gross square feet measurement to utilize for the Property for purposes of this analysis 36,047 gross square feet as there will be no structural changes to the current improvement on the Property for its completed transfer to condominium association. We note that the DOF's 2024/25 gross square foot measurement of 36,047 sf (and/or the allocation of gross square feet between the residential and retail components) is subject to change based on potential future inspections of the Property by DOF.

Your office further advised us that there are no plans to apply for tax exemptions and/or abatement programs for the Property. As such, our below projections of the Property's assessed values and real estate taxes were calculated without consideration of tax exemption or abatement program real estate tax benefits.

II. Assessment Methodology

The Department of Finance ("DOF") Real Property Assessment Division currently employs three recognized methods of appraisal in order to arrive at an assessed value. These methods are the cost of construction method, the capitalization of pre-real estate tax net income method, and the comparable sale price method.

Capitalization of pre-tax net income is based on the principal idea that the estimated pre-tax net income generated by a property, divided by the rate of return (adjusted for the payment of real estate taxes), yields an estimate of market value. The comparable sale price method arrives at a value by surveying market prices of similar type properties. The cost of construction method is based on the idea that the value of a

property is reflected by the costs of construction plus the cost of the land. In setting an assessed value, the assessor will typically use one, two, or a combination of all three methods to arrive at an assessed value.

For condominiums and cooperatives in operation, New York State Real Property Tax Law Section 581 regulates how such residential properties are to be valued for real estate tax purposes. Section 581 provides in pertinent part as follows:

> "1(a) Notwithstanding any other provision of law, real property owned or leased by a cooperative corporation or on a condominium bases shall be assessed for purposes of this chapter at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned or leased by a cooperative corporation or on a condominium bases." N.Y. Real Prop. Law § 581.

Based upon the existing statutes, DOF is precluded from using the sale prices of the units of the subject property or of similar units in the area to set the assessed value. Instead, DOF will utilize the rental values of the property's units as well as rental values of similar units in the area to estimate the property's gross income. Upon acceptance for filing of the offering plan by the Attorney General's Office and recording of the Declaration in the office of the City Register, DOF will assign individual tax lot numbers to each of the individual residential units.

The determination of an assessed value for a condominium or cooperative is a subjective decision of an assessor. In determining the assessed value, the assessor will take into consideration the estimate of rental values, an estimate of expenses for the operation of the property, and a capitalization rate (rate of return). The assessor will then use these valuation factors to arrive at an assessed value. There is no hard and fast formula for setting an assessed value. Differences in estimating rental value, operating expenses, and capitalization rates will create differences in assessed value. Sometimes these differences, even small differences, can significantly impact the assessed values.

III. Opinion of Future Assessments

The history of the assessed values of the Property are provided below:

Tax Year	Actual Assessment	Transition Assessment
2019/20	$3,972,150	$3,447,160
2020/21	$4,106,700	$3,635,980
2021/22	$3,873,600	$3,748,750
2022/23	$4,129,200	$3,928,590
2023/24	$3,814,650	$3,979,260
2024/25	$3,324,150	$3,849,660
*2025/26	$3,974,400	$3,823,200

*Denotes tentative assessed value.

The estimated assessed values and tax projections expressed herein are based on the following assumptions:

1. Upon conversion, the Property will be a mixed-used residential/retail condominium measuring 36,047 square feet and will contain 45 residential condominium units and two retail condominium units. The residential condominium component will measure 33,577 sf and the retail component will measure 2,470 sf.

2. The Property will complete its conversion to a condominium association in June 2026 and begin operations as condominium on July 1, 2026.

3. For Fiscal Tax Year 2026/2027, DOF will tax the entire Property as Tax Class 2. For Fiscal Tax Year 2027/2028, DOF will tax the residential condominium portion of the Property as Tax Class 2 and assess the retail condominium portion of the Property as Tax Class 4.

4. For Fiscal Tax Year 2026/2027 and 2027/2028, DOF will assess the Property based on DOF's current measurement of the Property of 36,047 gross square feet (utilized by DOF for its calculation of the 2024/2025 assessed value and the 2025/2026 tentative assessed value of the Property).

5. For Fiscal Tax Year 2027/2028, DOF will separately assess the residential condominium component from the retail condominium component. DOF will assess the residential component based on DOF's tax year 2024/2025 gross residential sf measurement of 33,577 sf, and assess the retail component based on DOF's 2024/2025 gross retail sf measurement of 2,470 sf.

6. The equalization rates for Tax Class 2 and Tax Class 4 properties will remain at 45% of estimated market value.

7. For Fiscal Tax Year 2026/2027, DOF will utilize a Tax Class 2 tax rate of 12.563%. For Fiscal Tax Year 2027/2028, DOF will utilize a Tax Class 2 tax rate of 12.594%, and a Tax Class 4 tax rate of 10.843%.

8. There will be no changes to the Real Property Tax Law or to City codes, rules, and regulations that govern the assessment of real property in the City of New York.

Fiscal Tax Year 2026/2027

The Property should not be assessed by DOF as a condominium association for Fiscal Tax Year 2026/2027 because the Property will not complete its conversion to condominium association until June 2026, which is after the taxable status date of January 5, 2026. As such, DOF will assess the entire Property as a rental building in Tax Class 2 for Fiscal Tax Year 2026/2027. Because the Property will be operating as an income-producing residential and retail rental building, it is our opinion that the most appropriate approach to valuing the Property for Fiscal Tax Year 2026/2027 is the income approach.

To determine the Property's market value for Fiscal Tax Year 2026/2027, we trended the Property's historical income and expense data to forecast the Property's future performance. After projecting the Property's overall net operating income, we applied a market-based capitalization rate (the expected rate of return based on the Property's assigned income) to the net operating income to arrive at an estimated market value. We multiplied the estimated market value by the equalization rate of 45% to derive the assessed value of the Property. Finally, to calculate the property taxes, we applied an estimated Fiscal Tax Year 2026/2027 Tax Class 2 tax rate of 12.563% to the estimated assessed value of the Property. Our calculation is summarized as follows:

INCOME APPROACH

	Annual Total	Per Sq. Ft.
Estimated Gross Income:	$1,699,429	$47.14
Estimated Expenses:	$459,420	$12.75
Pre-Real Estate Tax Net Income:	$1,240,009	$34.40
Capitalization Rate:	13.00%	
Full Market Value:	$9,538,531	$264.61
Actual Assessed Value:	$4,292,339	$119.08
Transitional Assessed Value:	$3,906,948	$108.38
Taxable Assessed Value:	$3,906,948	$108.38
Estimated Property Taxes (Indicated Assessed Value x Estimated Class 2 Tax Rate of 12.563%):	**$490,830**	**$13.62**

As indicated above, we estimate the assessed value of the Property for Fiscal Tax Year 2026/2027 to be **$3,906,948** resulting in estimated real estate taxes of **$490,830**.

Fiscal Tax Year 2027/2028

According to your office, the Property will have transferred to a condominium association as of taxable status date January 5, 2027. Fiscal Tax Year 2027/2028 will therefore be the first year the Property will be fully assessed as a condominium. As such, it is our opinion that the most appropriate approach to valuing the Property for Fiscal Tax Year 2027/2028 is the income approach.

For Fiscal Tax Year 2027/2028, DOF should separately assess the residential component as Tax Class 2 and the retail component as Tax Class 4.

To determine the Property's market value, we used market data to assign separate estimates of income and expenses attributable to the residential and retail components of the Property. For our estimate of the residential component, we utilized a measurement of 33,755 square feet, and for the retail component we utilized a measurement of 2,470 square feet (based on your office's instructions to utilize the DOF's tax year 2024/2025 measurements of the Property's residential and retail spaces. Based on market data, we imputed estimated rental income and expenses and projected the Property's overall net operating income for the residential and retail components. We then applied a market-based capitalization rate (the expected rate of return based on the Property's assigned income) to the net operating income to arrive at estimated market values. We multiplied the estimated market values by the equalization rate of 45% to derive the assessed value of the residential and retail components. Finally, to calculate the property taxes, we applied an estimated Fiscal Tax Year 2027/2028 Tax Class 2 tax rate of 12.594% to the estimated assessed value of the residential portion of the Property, and an estimated Fiscal Tax Year 2027/2028 Tax Class 4 tax rate of 10.843% to the projected retail assessed value of the Property. Our calculation is summarized as follows:

RESIDENTIAL	Annual Total	Per Sq. Ft.
Estimated Residential Gross Income:	$1,553,944	$46.28
Estimated Expenses:	$435,104	$12.96
Pre-Real Estate Tax Net Income:	$1,118,839	$33.32
Capitalization Rate:	12.50%	
Full Market Value:	$8,950,715	$266.57
Actual Assessed Value:	$4,027,822	$119.96
Transitional Assessed Value:	$3,498,739	$104.20
Taxable Assessed Value:	$3,498,739	$104.20
Estimated Property Taxes (Indicated Assessed Value x Estimated Class 2 Tax Rate of 12.594%):	**$440,561**	**$13.12**

As indicated above, we estimate the assessed value of the residential portion of the Property for Fiscal Tax Year 2027/2028 to be $3,498,739, resulting in estimated real estate taxes of $440,561.

RETAIL

	Annual Total	Per Sq. Ft.
Estimated Retail Gross Income:	$217,568	$88.08
Estimated Expenses:	$43,514	$17.62
Pre-Real Estate Tax Net Income:	$174,054	$70.47
Capitalization Rate:	13.50%	
Full Market Value:	$1,289,289	$521.98
Actual Assessed Value:	$580,180	$234.89
Transitional Assessed Value:	$503,969	$204.04
Taxable Assessed Value:	$503,969	$204.04
Estimated Property Taxes (Indicated Assessed Value x Estimated Class 4 Tax Rate of 10.843%):	**$54,645**	**$22.12**

As indicated above, we estimate the assessed value of the retail portion of the Property for Fiscal Tax Year 2027/2028 to be $503,969 resulting in estimated real estate taxes of **$54,645**.

For Fiscal Tax Year 2027/2028, our estimate of the total assessed value of the Property is **$4,002,708**, resulting in estimated real estate taxes of **$495,206.**

Estimate of Real Estate Taxes for the First Year of Condominium Operation for the Period of July 1, 2026 to June 30, 2027.

According to your office, the first year of operations will be the period of June 1, 2026 to June 30, 2027. The annual fiscal tax year period in New York City begins June 1st of the calendar year and ends June 30th of the following calendar year. As such, the first year of operations is aligned with New York City's Fiscal Tax Year 2026/2027. Thus, the first year of operations of the Property includes all 12 months of Fiscal Tax Year 2026/2027.

Based on our analysis, we estimate the assessed value of the Property for Fiscal Tax Year 2026/2027 to be $3,906,948, and the real estate taxes to be $490,830. Because the first year of operations includes 12 months of Fiscal Tax Year 2026/2027, we estimate the real estate taxes for the period of July 1, 2026 to June 30, 2027 to be **$490,830**.

We note that DOF should tax the entire Property as one unit in Class 2 for Fiscal Tax Year 2026/2027. DOF should not separately assess the retail component under Tax Class 4 until after DOF recognizes the conversion to a condominium association, which should not be until Fiscal Tax Year 2027/2028. Therefore, DOF should not allocate taxes between separate residential and retail units for the first year of operations. However, for purposes of this opinion letter, your office has requested that we allocate the estimated property taxes between the residential and retail components for all 12 months of the first year of operations. Therefore, we have allocated the taxes for the first year of operations based on the proportion of residential and retail square footage of the Property as described above. Our allocated estimates result in the following for the first year of operations:

Residential Component:	$457,197
Retail Component:	$33,632
Total:	**$490,830**

Estimate of Real Estate Taxes for the Second Year of Condominium Operation for the Period of July 1, 2027 to June 30, 2028.

According to your office, the second year of operations will be the period of June 1, 2027 to June 30, 2028. The annual fiscal tax year period in New York City begins June 1st of the calendar year and ends June 30th of the following calendar year. As such, the second year of operations is aligned with New York City's Fiscal Tax Year 2027/2028. Thus, the first year of operations of the Property includes all 12 months of Fiscal Tax Year 2027/2028.

Based on our analysis, we estimate the assessed value of the Property for Fiscal Tax Year 2027/2028 to be $4,002,708 and the real estate taxes to be $495,206. Because the first year of operations includes 12 months of Fiscal Tax Year 2027/2028, we estimate the real estate taxes for the period of July 1, 2027 to June 30, 2028 to be **$495,206**.

For Fiscal Tax Year 2027/2028, DOF should separately assess the residential and retail condominium components of the Property. Based on our analysis, we estimate that DOF should allocate the estimated 2027/2028 real estate taxes for the Property between the residential and retail condominium components as follows:

Residential Component:	$440,561
Retail Component:	$54,645
Total:	**$495,206**

We note that it is common for tax rates to change as they are modified by the New York City Council each year. In the past five years, the Tax Class 4 tax rate has ranged from 10.514% to 10.762%, and the Tax Class 2 tax rate has ranged from 12.235% to 12.502%. Due to the unpredictable nature of predicting

economic conditions influencing New York City Council, we were conservative with our approach and projected that tax rates will increase 0.25% per year for both residential and commercial properties based on year-over-year changes for the respective tax rates in the past five years.

In addition to our above assessment projections, we further note that owners of residential condominium units who meet DOF requirements are entitled to the Cooperative and Condominium Property Tax Abatement. To qualify for the abatement for an upcoming tax year, a condominium unit owner must have purchased the unit on or before January 5th. The condominium unit owner cannot own more than three (3) residential units in a development, and one of the units owned must be the owner's primary residence. If abatement qualifications are met by a unit owner, the abatement will reduce the owner's tax liability by up to seventeen and half percent (17.5%). The condominium abatement renewal application needs to be filed each year by February 15th. Units owned by a business designation (LLC) or condominium sponsors or its successors are not eligible for the abatement.

IV. Assumptions and Limiting Conditions

The Opinion Letter, including its concluded projections and any portion of such letter (the "Opinion") as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date.

Goldberg Weprin Finkel Goldstein ("GWFG") has assumed that all documents, data, and information furnished by, or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Opinion. Such data and information include, without limitation, numerical street addresses, lot and block numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, construction cost estimates, construction schedules, construction projections, and related data. Any error in any of the above could have a substantial impact on the Opinion. Accordingly, if any such errors are subsequently made known to GWFG, GWFG reserves the right to amend the Opinion, which may include the conclusions of the Opinion. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Opinion and should immediately notify GWFG of any questions or errors within 30 days after the date of delivery of the Opinion.

Any projections of income, expenses and economic conditions utilized in the Opinion, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Opinion and not predictions of the future. Actual results are affected by a number of factors outside the control of GWFG, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and GWFG does not warrant any such projections.

GWFG has issued this Opinion with the understanding that it will be incorporated into offering memorandum documents. The Opinion contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other valuation service providers may reach different conclusions as to the value of the subject property. Furthermore,

market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Opinion is for the sole purpose of providing the intended user with GWFG's independent professional opinion of the value of the subject property as of the date of the Opinion. Accordingly, GWFG shall not be liable for any losses that arise from any investment or lending decisions based upon the Opinion that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and GWFG has not been compensated to assume any of these risks. Nothing contained in the Opinion shall be construed as any direct or indirect recommendation of GWFG to buy, sell, hold, or finance the subject property.

The conclusions expressed in this Opinion are of the undersigned and do not necessarily express the opinion of the Department of Finance's Real Property Assessment Division or any other New York City department or agency involved in the assessment process. Conclusions reached by these departments may be different from the undersigned's and may result in a radically different determination. Minor differences in income, expenses and capitalization rates from that assumed in this Opinion can markedly change an estimated assessed value.

The Opinion shall not be duplicated or provided to any unintended users in whole or in part without the written consent of GWFG, which consent GWFG may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Any unintended user who may possess the Opinion is advised that it shall not rely upon the Opinion or its conclusions and that it should rely on its own appraisers, advisors, and other consultants for any decision in connection with the subject property. GWFG shall have no liability or responsibility to any such unintended user.

Acceptance or use of the Opinion constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Opinion. It is the responsibility of the user of the Opinion to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. GWFG assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.

Very truly yours,

Goldberg Weprin Finkel Goldstein LLP

EE. RESERVE FUND

The New York City Council enacted Local Law No. 70 which amends Chapter 51 of the Administrative Code of the City of New York (the "Reserve Fund Law"), the full text of which is set forth in Part II of this Plan. The Reserve Fund Law requires Sponsor of an offering plan for the conversion of a building from rental to cooperative condominium status to establish a reserve fund (the "Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be funded in addition to the Working Capital Fund, and shall be funded as follows.

Sponsor shall, within thirty (30) days after the First Closing Date, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) three percent (3%) of the sum of the cost of all Units offered for sale pursuant to this Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of this Plan regardless of the number of sales made (the "Total Price"), or

(ii) (A) three percent (3%) of the actual sales prices of all Units offered for sale pursuant to this Plan which are sold by Sponsor at the Effective Date of this Plan, provided, however, that if such amount is less than one percent (1%) of the Total Price, then the Reserve Fund shall be established as a minimum of one percent (1%) of the Total Price; plus (B) supplemental contributions to be made by Sponsor at a rate of three percent (3%) of the actual sales price of Units for each Unit offered for sale under this Plan held by Sponsor and sold to bona fide purchasers subsequent to the Effective Date of this Plan and within five (5) years of the First Closing notwithstanding that the total amount contributed may exceed three percent (3%) of the Total Price; and provided, further, that if five (5) years from thirty (30) days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than three percent (3%) of the Total Price, Sponsor shall pay the difference between the amount contributed and three percent (3%) of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within thirty (30) days of each sale of a Unit under this Plan. Because prices can be expected to increase over time, the reserve fund payments under the second option may be more, and in some cases substantially more, than they would have been had the Sponsor funded using the first option. Under the second option, the sponsor will receive no refund or allowance at the conclusion of the five (5) year period.

The Reserve Fund may not be reduced by closing adjustments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after this Plan is submitted for filing to the Department of Law and before this Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or one percent (1%) of the Total Price. Sponsor anticipates taking a credit against the mandatory initial contribution for facade work and other work at the Building. Sponsor anticipates that the Reserve Fund is sufficient to pay for the major capital improvements and replacements which are reasonably foreseeable within three (3) years from the date of this Plan.

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined

until the First Closing since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than two percent (2%) of the Total Price. No Purchaser will be entitled to rescind a Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor not later than the thirtieth (30th) day following the Filing Date of this Plan and until the First Closing to post and maintain in a prominent place accessible to all tenants in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within forty eight (48) hours of their issuance.

In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all purchasers will be given fifteen (15) days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in this Plan notwithstanding such repeal.

No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a special assessment against the Unit Owners. Based upon estimates received by Sponsor, Sponsor believes that the Reserve Fund will be sufficient to pay for the replacement of capital items likely to be needed as disclosed in the Description of Property set forth in Part II of the Plan. Please see the Description of Property set forth in Part II of the Plan for a description of the renovations and capital improvements that Sponsor is completing. During the Initial Control Period, neither the Reserve Fund nor the Working Capital Fund may be used to reduce Common Charges. No representation can be made, however, that after Sponsor relinquishes control, the Condominium Board may not decide to use the Reserve Fund for a purpose other than for which it has been established.

THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OTHER THAN AS SET FORTH IN THE DESCRIPTION OF PROPERTY IN PART II OF THIS PLAN OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND.

FF. WORKING CAPITAL FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Residential Section (the "Working Capital Fund"). Such contributions shall each be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). No reserve fund is being established for the Condominium.

At the First Closing, Sponsor will apportion with the appropriate Board the following items as of midnight of the date preceding said Closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund will be held and used for the items described in 1-10 above, and to pay for repairs and replacements to the Residential Common Elements for the Residential Section's share of the cost of repairs and replacements to the General Common Elements and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit. While Sponsor controls the Condominium Board (see the Section entitled

"Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Residential Common Charges.

No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges or Residential Common Charges attributable to Unsold Residential Units.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

In the Board's discretion, subject to the terms of the By-Laws, the Board may decide in the future to establish a reserve fund or pay for necessary repairs or capital items to the Limited Common Elements by special assessment or by increasing Residential Common Charges.

GG. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. **Management Agreement**

The Condominium Board will enter into a management agreement with IBEC Building Corporation, a company organized under the laws of the State of New York, and having an address at 90 Broad Street, Suite 2003, New York, New York 10004, as the Managing Agent. The Managing Agent is affiliated with Sponsor and its principals.

The management agreement provides for a term of one (1) year, subject to the right of either party to cancel upon thirty (30) days prior written notice without cause and upon thirty (30) days prior written notice with cause.

The Managing Agent will receive a fee of $56,400.00 payable in equal monthly installments for the first year. This fee is at prevailing rates. The Board shall also reimburse the Managing Agent for expenses incurred at the Managing Agent's office such as postage, photocopying, long distance telephone calls, payment envelopes, facsimiles, etc.

The duties and services to be rendered by the Managing Agent include, among others:

a. Property Management Services. Provide for the operation, maintenance, repair, and cleaning of the Building, to the extent required or authorized under the Declaration and in accordance with the approved budget of the Condominium and the direction of the Board.

b. Meetings of Condominium. Prepare and send out all notices of meetings of the Condominium, the Board or the Unit Owners, and such other letters and reports as the Board may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. Cause a representative to attend one (1) Board meeting per month, annual meetings and special meetings of the Board and Unit Owners; prepare minutes of such meetings.

c. Budgets. Prepare and submit to the Condominium for approval, annual operating budgets for the Condominium.

d. Collections. Distribute invoices and take all other actions necessary to bill and collect all common charges, assessments and other amounts due and payable by the Unit Owners.

e. Personnel. Provide routine supervision of all persons necessary to be employed in order to properly maintain and operate the Building.

f. Books and Records. Set up and maintain the records and accounts of the Condominium and render monthly statements.

g. Tax Certiorari. Cooperate with tax certiorari attorneys.

h. Entering into Contracts. The Managing Agent shall, on behalf and in the name of the Condominium (and at the expense of the Condominium), enter into contracts with third parties for the provision or performance of electricity, gas, steam, air-conditioning, water, elevator, telephone, window cleaning, trash removal, fuel oil, security services, extermination, other normal or essential services or such items or services that are advisable.

i. Compliance with Laws. Recommend and, with the approval of the Board, take such action as may be necessary to comply with any and all orders, violations or requirements affecting the Condominium or Building by any federal, state, county, municipal authority or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body have jurisdiction.

j. Insurance. Interact with the Board's insurance agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.

k. Bill Payment. Review all bills received for services, work and supplies ordered in connection with maintaining and operating the Building; and pay all such bills, as and when same shall become due and payable.

l. Tax Returns, Forms Etc. Cause to be prepared and filed, for the Condominium, the necessary forms for unemployment insurance, social security taxes, and all other tax forms. Cooperate with accountants in performing annual audits and tax returns. Send out all letters, reports and newsletters as the Board may request.

m. Alteration Requests. Process on behalf of the Condominium requests from the Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Unit that require notice to or approval of the Board or any committee thereof under the terms of the Declaration.

n. Condominium Duties. Consider and attend to complains of Unit Owners, lawful tenants, subtenants and occupant. To the extent not addressed in subparagraphs (a) through (m) above, exercise all other powers and perform all other duties that have been assigned to the Condominium under the Declaration as its agent. Without limiting the generality of the foregoing, the Managing Agent shall assist the Board in enforcing its rights and remedies under the Declaration.

The Managing Agent shall not be obligated to make any advance to or for the account of the Board, but in the event that the Managing Agent incurs any liability or obligation for the account of the Board, within its authorized duties, the Board shall reimburse the Managing Agent promptly for any monies that the Managing Agent may elect to advance for the Account of the

Board. The Board shall indemnify the Managing Agent against liability for authorized acts arising out of the Management Agreement, excluding acts of gross negligence or willful misconduct.

HH. IDENTITY OF PARTIES

1. Sponsor and Selling Agent

Sponsor is Fulton Street Associates LP, a New York limited partnership, with an office at c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004.

The principals of Sponsor are Hesky Brahimy, Samy Brahimy and James Wagman. The principals of Sponsor have an office address c/o Sponsor at c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004. Hesky Brahimy, Samy Brahimy and James Wagman have been active in real estate development and renovation in the City of New York for over twenty five (25) years.

Hesky Brahimy, Samy Brahimy and James Wagman have not been principals of sponsor of a cooperative or condominium offerings in the State of New York in the preceding five (5) years.

There have been no prior felony convictions of Sponsor, or any principal of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principal of Sponsor that may be material to the Plan or an offering of securities generally that occurred within fifteen (15) years prior to the submission of the Plan.

Sponsor is also acting as the Selling Agent for the Condominium. Sponsor does not have any prior experience as a selling agent.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 787 Seventh Avenue, 31st Floor, New York, New York 10019 to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Residential Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Goldberg Weprin Finkel Goldstein, having offices at 125 Park Avenue, Floor 12, New York, New York 10017 to represent it in connection with the Real Estate Taxes.

3. Sponsor's Architect

Design AIDD Architecture, DPC is the registered architect who prepared the "Description of Property and Building Condition" ("Description of Property") and issued its certification (both of which are set forth in Part II of this Plan). Design AIDD Architecture DPC, has an address at 508 West 26th Street, Suite 10D, New York, New York, and has been providing architectural services for over 15 years. All statements and representations made in this Plan with

respect to the "Description of Property" have been made in reliance upon the Architect and its authority as an expert. The Architect has no financial interest in the Property, Sponsor, the Selling Agent and the Managing Agent, or any other parties interested in this transaction, except for its fee for services rendered.

4. **Sponsor's Budget Expert**

D&D Management Services having an office at 6725 13th Avenue, Brooklyn, New York 11219, estimated all amounts of income and expenses in the projected "Budget for First Year of Condominium Operation, Schedule B", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget, the adequacy of the Common Charges payable by the Non-Residential Unit Owner and Sponsor's compliance with Section 339-i of the Real Property Law.

5. **Managing Agent**

IBEC Building Corporation, having an address at 90 Broad Street, Suite 2003, New York, New York 10004, will be the Managing Agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is an affiliate entity of the Sponsor and was founded by Samy Brahimy and Hesky Brahimy. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for over twenty (20) years. Some of the buildings that the Managing Agent manages include but are not limited to: Seven At Boerum, State Renaissance Court, Eighth on State and 311 State, 479 Park Place, 471 Prospect Place and 1460 Bedford Avenue.

There have been no prior felony convictions of the Managing Agent or any principals of the Managing Agent and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

II. SPONSORS PROFIT

Sponsor acquired the Property on August 13, 1983 from Pimlico Realty Co. Inc. Sponsor expects to sell many Residential Units at full market value from time to time as they become vacant and to generate profits from the sale of the Residential Units as a result of the conversion. The exact profit to be realized by Sponsor cannot be determined and may increase or decrease substantially depending upon variable factors such as the uncertainty of future market conditions including the availability and cost of money, the length of time required to sell the Residential Units, losses or expenses arising from obligations assumed or waived by Sponsor under this Plan and other contingencies.

JJ. REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

(1) A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §23.4(d).

KK. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the GBL, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

LL. GENERAL

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

Under applicable federal and local Law, leaded paint can no longer be used in the construction of the Building.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised not less than 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Down Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Down Payment (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

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

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

The Property and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential or Non-Residential tenants as of the date of submission of the Plan to the Department of Law.

No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date the Plan is accepted for filing.

MM. DEVELOPMENT RIGHTS

All excess Development Rights, if any, otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration will be conveyed to the Sponsor or its assignee (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Development Rights Owner, the Development Rights Owner may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by the Development Rights Owner will not be used to add additional floors to the top of the Building. The Development Rights reserved by the Development Rights Owner may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

NN. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 6 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property Report. An asbestos report is included as Exhibit 7 in Part II of the Plan.

To the best of Sponsor's knowledge, there are no known Building violations or health code violations.

Each Residential Unit is equipped with an existing Alpha Communications/TekTone TA 205C-5 wire intercom system with TekTone Entrance Panel. The manufacturer's warranty has expired and the system is to be replaced. Sponsor will provide the installation of a new intercom system including a new panel at the existing panel location with a push button. The estimated cost to replace is approximately $66,000. Sponsor anticipates the installation of the new intercom system will start in July 2025 and take approximately one (1) month to complete.

This Building was constructed in 1907. 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. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as an Exhibit to this 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.

PART II

THE PORTLAND CONDOMINIUM

104-112 SOUTH PORTLAND AVENUE

BROOKLYN , NEW YORK 11217

PART II

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EXHIBIT "1"

PURCHASE AGREEMENT FOR RESIDENTIAL UNIT

PURCHASE AGREEMENT

FULTON STREET ASSOCIATES LP

Sponsor-Seller

TO

_____

Purchaser

RESIDENTIAL UNIT NUMBER _____

The Portland Condominium
104-112 South Portland Avenue
Brooklyn, New York 11217

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UNIT NUMBER(S)_____

The Portland Condominium
104-112 South Portland Avenue
Brooklyn, New York 11217

(TO BE EXECUTED IN QUADRUPLICATE)

PURCHASE AGREEMENT

PURCHASE AGREEMENT (the "Agreement"), made as of _____, 20__, between Fulton Street Associates LP, a New York limited partnership, having an office c/o IBEC Building Corp. 90 Broad Street, Suite 2003, New York, New York 10004 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN.

Purchaser acknowledges having received and read a copy of the Offering Plan for The Portland Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE UNIT.

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) _____ ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE PURCHASE AGREEMENT.

By executing this Agreement, Sponsor is agreeing to sell the Unit and Purchaser is agreeing to purchase the Unit for the Purchase Price described in paragraph 4.1. The payment for the Unit (the "Purchase Price") is nonrefundable, except as otherwise specifically provided in the Plan. At

least thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Closing Notice"), Sponsor shall give Purchaser written notice that Purchaser shall close the acquisition of the Unit within fifteen (15) calendar days after the date of the Closing Notice (the "Notice Period").

4. PURCHASE PRICE.

4.1 The purchase price for the Unit (the "Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) A Down Payment of $_____ [an amount that is at least 10% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the Down Payment is 50%] due upon Purchaser's signing and submitting this Agreement, by check or wire (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price; and

(b) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Down Payment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "Fulton Street Associates LP" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 16 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING.

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) and Purchaser understands and agrees that the Purchaser's failure to obtain such financing will not relieve the Purchaser of the Purchaser's obligations hereunder. Purchaser further understands and agrees that if the Purchaser chooses to finance the Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in the Purchaser's financial status or condition shall release or relieve the Purchaser of the Purchaser's obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event this Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days' notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing the additional fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title, if Sponsor adjourns the closing, the time for Purchaser to close shall be increased by the number of days that Sponsor postponed the closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, closings of Units to begin on approximately July 1, 2026 (the "Estimated First Closing Date"). The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of compliance with other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control whether similar or dissimilar to the foregoing ("Force Majeure Events"). Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor. Sponsor is not subject to damages and Purchaser has no basis to refuse to close or hold Sponsor liable if the First Closing is before or after the Estimated First Closing Date.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the above fees and penalties are not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. This Section 7.2 shall survive Closing.

7.3 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.4 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.5 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) a licensed title insurance company or Ridge Abstract Corp. (the "Title Company"), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the Title Company, together with the recording or filing fee; or (b) Purchaser's Title Company will insure Purchaser, at the Title Company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's Title Company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and a licensed title insurance company or the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing, then, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's Title Company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit: (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed; (b) Common Charges for the month in which title closes; and (c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser and Sponsor hereby agree that, if Purchaser or Sponsor obtain a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 8 above, and title thereafter closes, then: (a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and (b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS.

Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and

Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Article 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by Law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. DOWN PAYMENT.

12.1 The Down Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Down Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Down Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.2 The law firm of Holland & Knight LLP, with an address at 787 Seventh Avenue, 31st Floor, New York, New York, telephone number (212) 513-3200, shall serve as

escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither 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.

12.3 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 the Purchase Agreement or otherwise concerning the maintenance of release of the Down Payment from escrow.

12.4 The Escrow Agent has established a master escrow account at PNC Bank (the "Bank") at its branch located at 340 Madison Avenue, New York, New York, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - The Portland Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Down Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Purchase Agreement. If an Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per down payment, (the FDIC limit in effect as of the filing date hereof). Any down payment in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Down Payment held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

12.5 The Down Payment shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Down Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem this Purchase Agreement to be canceled and of no further force or effect.

12.6 If a Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Down Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of July 2025 is approximately 3%. Interest shall begin to accrue upon placing the Down Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the

Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

12.7 Within five (5) business days after the fully executed Purchase Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Master Escrow Account. Within ten (10) business days after deposit of the Down Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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

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

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

12.11 Escrow Agent will hold the Down Payment in escrow until otherwise directed:

(a) pursuant to terms and conditions set forth in Article 12 of this Agreement upon closing of title to the Unit; or

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

(c) upon the receipt of a final arbitration decision by JAMS.

If the Escrow Agent is not directed to release the Down Payment pursuant to

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

Sponsor will not object to the release of the Down Payment to:

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

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

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

12.14 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).

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

12.16 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Down Payment received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Down Payment by Purchaser.

12.17 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.

12.18 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, and deliver such form to Escrow Agent together with the Down Payment and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Down Payment and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Down Payment will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Down Payment into the individual interest bearing sub-escrow savings account.

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

12.20 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent itself.

13. DISPUTE RESOLUTION.

13.1 Any dispute, claim or controversy between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") arising out of or relating to this Agreement or the Down Payment shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in this Agreement and/or the Plan, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction. The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

13.2 Within ten (10) days of filing an arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite

ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser.

13.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

13.4 Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Down Payment from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Down Payment. Escrow Agent shall continue to hold the Down Payment in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds. Motions to enforce an arbitration clause or to confirm or set aside an arbitration award, must be brought in a New York court. In the event the party challenging arbitrator's award loses the appeal, the losing party will reimburse the winning party all of its costs including legal fees and expenses of the appeal.

13.5 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

13.6 The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York. In no event shall Sponsor or Purchaser have the right to bring any action in Law or equity to otherwise seek damages or any other relief with respect to this dispute.

13.7 If the party, who lost the arbitration, is not successful on appeal, that party shall reimburse the other party for all of its fees and expenses including legal fees in appealing the arbitration decision.

13.8 Sponsor and Purchaser are relinquishing their right to bring suit in court, including the right to trial by jury, concerning disputes over the dispositions of the Down Payment, except as provided by the rules of arbitration under New York CPLR §7511. There are procedural differences between arbitration and litigation that Purchasers should consider. JAMS may impose a shorter time limits for filing and bringing claims under the JAMS Streamlined Rules than in standard litigation. For example, as of the date hereof, JAMS Streamlined Rules require a response to a notice of claims within seven (7) days, while in New York Supreme Court a respondent has either twenty or thirty days to file an answer, depending on the type of service of process. Discovery powers are less expansive in arbitration than in a traditional court proceeding. The

ability of parties to obtain documents, witness statements and other tools of discovery may be limited by the Arbitrator and JAMS Streamlined Rules. New York Law does not authorize any party to an arbitration to file a notice of pendency based on an ongoing arbitration proceeding.

13.9 This Section 13 shall survive the closing of title and the delivery of the Deed.

14. AGREEMENT NOT SUBJECT TO MORTGAGE.

No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. TENANT PURCHASERS' SECURITY DEPOSITS. If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within forty-five (45) days following the Closing Date, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred as of the Closing Date to Purchaser, who will upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient.

16. DEFAULT BY PURCHASER.

16.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the Down Payment, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

16.2 If the Plan is abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Down Payment paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser within five (5) days from the acceptance for filing of the amendment abandoning the Plan, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

16.3 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to

perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

16.4 If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing adjustments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.04% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

16.5 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Down Payment (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Down Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. In addition to the foregoing, Purchaser shall also reimburse Sponsor for the cost of removing any changes made to the Unit at Purchaser's request and restoring the Unit to the condition described in the Offering Plan.

16.6 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE PURCHASE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DOWN PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND

ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

17. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

18. WITHDRAWAL OR ABANDONMENT OF PLAN.

The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Down Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

19. SPONSOR'S INABILITY TO CONVEY THE UNITS.

19.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, upon making such payment, this

Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

19.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control (whether similar or dissimilar to the foregoing) Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

20. FIXTURES, APPLIANCES AND PERSONAL PROPERTY.

Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties received by Sponsor, if any, in its possession which relate to appliances, equipment or fixtures located in the Unit.

21. ACCEPTANCE OF CONDITION OF PROPERTY.

Purchaser shall accept title in as-is condition (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the condition of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Providing the Unit is not occupied, Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's representative prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in accordance with the terms of the Plan. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Except as otherwise set forth in the Offering Plan, Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

22. DAMAGE TO THE UNIT.

If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

22.1 If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

22.2 However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser its entire Down Payment plus any deposit for Custom Work, together with interest earned thereon, within thirty (30) days' notice of such election, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Down Payment, together with interest earned thereon as and for liquidated damages.

23. NO REPRESENTATIONS.

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Sponsor's attorneys, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the

Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated General Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER.

Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker for Purchaser, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Purchase Agreements".

25.2 Notwithstanding the provisions of Section 25.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and

stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited partnership or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited partnership or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, Limited Partnership, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), and two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by Law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than five (5) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor.

26. BINDING EFFECT.

This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within ten (10) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Down Payment paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 787 Seventh Avenue, 31st Floor, New York, New York 10019, Attn: _____, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

28. JOINT PURCHASERS.

The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Down Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Down Payment.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited partnership, unincorporated organization, real estate investment trust or any other form of entity (collectively,

a "Person") with whom a United States citizen, entity organized under the Laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States Law nor, to the extent such funds originate outside the United States, do not violate the Laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States Law and to the extent such funds originate outside the United States, under the Laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as Laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

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

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

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

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the Laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

30.8 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor, Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice of received by the Department of State.

31. CONDITION.

31.1 The Unit is purchased in "as-is" condition. The Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in

accordance with the Plan and the Plans and Specifications (as defined in the Plan), provided, however, that Sponsor reserves the right, without prior notice to Purchasers or amendment to the Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction,) to: (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the materials, appliances equipment, fixtures and other construction and design materials and details); and/or (b) substitute materials, appliances, equipment, fixtures, and other construction and design materials and details that are "Equal or Better" (meaning of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable) in place of those described in the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

31.2 The condition of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any condition defects to the extent, and on the terms and conditions, set forth in such Section.

31.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) (notwithstanding any construction items noted on the Inspection Statement (in the form set forth as Schedule B to this Agreement) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit). Nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 23 of the Regulations issued by the Department of Law.

31.4 The actual date for the First Closing as set forth in the Plan (as the same may be amended from time to time) is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that closings may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is

accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 13 NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

32.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control (whether similar or dissimilar to the foregoing). Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

32.3 Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's check in the full amount of the Down Payment paid by Purchaser together with interest earned thereon, if any, together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control.

Sponsor's liability under this Agreement for failure to deliver the Deed for any reason, other than Sponsor's willful failure to do so, shall be limited to the return of Purchaser's Down Payment paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser's Down Payment, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor will be released from any and all liability to each other and to Selling Agent. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Unit marketable or to cure any objection to title, except as may be set forth in the Plan.

If Sponsor delays or adjourns the closing for the purpose of curing defects or otherwise, Sponsor shall not be liable for the costs, if any, that Purchaser incurs as a result of the delay or adjournment.

33. FURTHER ASSURANCES.

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT.

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder, if Sponsor is deemed the prevailing Party in any such dispute.

35. SEVERABILITY.

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

36. STRICT COMPLIANCE.

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

37. GOVERNING LAW.

The provisions of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of laws. Subject to the provisions of Article 13 of this Agreement, Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Purchase Agreement.

38. WAIVER OF JURY.

Except as prohibited by Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT.

This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. CERTAIN REFERENCES.

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

41. NO RECORDING.

Neither this Agreement nor a memorandum of this Agreement shall be recorded against the Property, the Building or the Unit.

42. CAPTIONS.

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof

43. RULE OF CONSTRUCTION.

There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. NO ORAL CHANGES.

THIS AGREEMENT CANNOT BE CHANGED OR TERMINATED ORALLY. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE

PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

46. AMENDMENTS TO THE PLAN.

Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. CONFIDENTIALITY.

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that this Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

48. COUNTERPARTS.

This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

49. NO LIS PENDENS.

Purchaser waives any right to place a lis pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Down Payment. The Down Payment shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Down Payment refunded.

50. SMOKING POLICY.

Smoking shall not be permitted anywhere on the Property including in Residential Units and in Back Yards. The Board shall have the right to obtain a court order enjoining the occupant

of a Unit from smoking in the Unit or the Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium (including legal fees) in enforcing this provision.

51. STATUTE OF LIMITATIONS.

Purchaser, as Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing this Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. By executing this Agreement, Purchaser shall be deemed to have acknowledged and agreed that said 3-year period is reasonable.

52. CERTIFICATION OF SPONSOR AND PRINCIPAL.

Consistent with a New York State Supreme Court, Appellate Division First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by the Purchaser, individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See 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).

53. MOLD.

Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title or the termination of this Agreement.

54. FINANCIAL CRIMES ENFORCEMENT NETWORK DISCLOSURE.

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, Limited Partnership, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Unit in the Borough of Brooklyn from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

55. SPONSOR'S RIGHTS IF PURCHASER DEFAULTS.

If (x) Purchaser does not close on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Unit Deed (or any assignment thereof to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in the Plan, or (z) Purchaser does not remain in compliance with any of the other terms of this Agreement. then Sponsor shall be entitled to terminate this Agreement and retain the Down Payment made hereunder with interest earned thereon, if any. In the event the Sponsor changed the Unit from the Unit description contained in the Plan pursuant to the Purchaser's request, Purchaser shall also be responsible for the cost to return the Unit to the condition described in the Plan.

Before Sponsor may fully and finally terminate this Agreement and keep Purchaser's Down Payment. Sponsor must first send Purchaser a notice by Federal Express or other reputable overnight courier, by hand delivery or by registered or certified mail stating that Sponsor intends to terminate this Agreement and specifying the reason(s) therefor, and granting Purchaser a period of at least thirty (30) days within which Purchaser may reinstate this Agreement. The thirty day period described herein shall be the same period described elsewhere in this Agreement and the Plan. TIME SHALL BE OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO REINSTATE THIS AGREEMENT WITHIN THE SPECIFIED PERIOD, WHICH SPECIFIED PERIOD SHALL BE AT LEAST THIRTY (30) DAYS. AFTER THE SPECIFIED PERIOD EXPIRES, IF THIS AGREEMENT HAS NOT BEEN REINSTATED, SPONSOR MAY TERMINATE THIS AGREEMENT, RETAIN PURCHASER'S DOWN PAYMENT, TOGETHER WITH INTEREST EARNED THEREON (IF ANY), AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THIS AGREEMENT HAD NEVER BEEN ENTERED INTO. HOWEVER, IF THERE IS A DISPUTE OVER THE DOWN PAYMENT PRECEDING (OR SUBSEQUENT TO) DISBURSEMENT OF THE DOWN PAYMENT UPON TERMINATION OF THIS AGREEMENT, NO STATUTORY INTEREST WILL ACCRUE (OR BE DEEMED TO HAVE ACCRUED) ON THE DOWN PAYMENT OR OTHER MONIES DEPOSITED BY PURCHASER WHILE DISBURSEMENT OF THE DOWN PAYMENT

REMAIN IN DISPUTE.

56. SECTION 1031 EXCHANGE.

Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

57. PROHIBITION ON RE-SALES AND LEASING

So long as Sponsor owns at least one (1) Unsold Residential Unit, Purchaser hereby covenants and agrees that it shall not, (a) prior to Purchaser's acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease and (b) for a period of twelve (12) months after the acquisition of the Unit, sell the Unit without Sponsor's written approval. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements.

58. PROVISIONS APPLICABLE TO EXISTING TENANTS ONLY.

58.1 Sale Subject To Existing Tenancy.

(a) The following is applicable to Purchasers of Units occupied by others:

Complete the following only if Purchaser is not the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )
If Unit is Occupied: Monthly Rent: $_____
Current Lease Term Expires: _____
or month-to-month ( ) _____
Rent Security $_____
Unit is Occupied by a Non-Purchasing Tenant:
Yes ( ) No( )

(b) Purchaser understands and agrees that the Unit being sold hereunder is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Laws (the "GBL") as explained more fully in Part I of the Plan under the Section entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such Laws and regulations so long as such occupancy continues.

(c) Purchaser further understands, as explained in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date hereunder, Purchaser must notify the Non-Purchasing Tenant of the change in ownership of the Unit promptly after the Closing Date and Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to maintain the Unit (including its equipment and appliances) for the benefit of the existing tenant. From and after delivery of the deed to Purchaser, Purchaser alone will bear the entire costs and expenses of owning the Unit (including, but not limited to, any legal fees and litigation expenses for enforcing the lease and obtaining possession of the Unit).

(d) Purchaser understands that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable Law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the closing of such purchase, this Agreement shall be deemed canceled and, within thirty (30) days after the occurrence of such event, all monies paid by Purchaser hereunder shall be refunded. Upon such repayment, Purchaser, Sponsor, and the Selling Agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations hereunder and under the Plan.

(e) Purchaser hereby irrevocably appoints the then managing agent of the Building (which managing agent may be replaced from time to time by the Condominium Board) as Purchaser's agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the

Unit that Purchaser is purchasing until such time as such right of occupancy terminates. Purchaser agrees to deposit with the managing agent at the closing hereunder a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish services and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the then managing agent that such deposit has been diminished, that Purchaser shall replenish such fund within thirty (30) days thereafter. Purchaser will indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf to provide the required services. The provisions of this paragraph shall survive the closing.

58.2 Tenant Purchaser's Right To Benefit From Improved Terms. If prior to the expiration of any exclusive Purchase Period, which begins prior to the First Closing Date, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant Purchasers, then if Purchaser is a Tenant Purchaser who executed and submitted this Agreement and the Down Payment before Sponsor amended the terms of the Plan, Purchaser shall benefit from the more favorable terms and conditions.

58.3 Purchaser's Representations.

(a) If Purchaser was a tenant in occupancy of a Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

(b) If this Agreement is executed prior to the Plan being declared effective, Purchaser shall duly complete and sign before a notary public the Affidavit set forth as Exhibit 2 or 3 of Part II of the Plan and deliver same to the Selling Agent together with this Agreement.

(c) Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Down Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Down Payment.

(d) Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, Limited Partnership, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including

those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise). Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

(e) Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Seller the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

(f) The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

58.4 Amendments To The Plan. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

Fulton Street Associates LP

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of

Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Ridge Abstract Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of a Unit for residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Covenants, conditions, easements, agreements of records, etc., as follows:

    a. Party Wall Agreement in Liber 1206 Page 299;

    b. Railroad Consent in Liber 2215 Page 547;

    c. Railroad Consent in Liber 3167 Page 57; and

    d. Subway Stair Consent in Liber 5107 Page 241.

EXHIBIT A
FORM OF TITLE INDEMNITY
[TITLE UNDERWRITER LETTERHEAD]

Dated: _____

_____
_____
_____

Re: The Portland Condominium
104-112 South Portland Avenue
Brooklyn, New York 11217 (the "Premises")

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify Sponsor _____ and Holland & Knight LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By _____
Name:
Title:

EXHIBIT "2"

AFFIDAVIT OF BONA FIDE TENANT PURCHASER

Affidavit of Bona Fide Tenant Purchaser
For Purposes of Declaring Offering Plan Effective

[insert name of tenant purchaser(s)]
[insert address of Condominium or Cooperative project name and property address]
File No. [insert NYAG File Number]
Unit No. [insert unit number(s)]
Purchase Price: [insert purchase price]
Down Payment: [insert down payment]

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

I/We, a purchaser[s] under the offering plan for the above-referenced [condominium/cooperative] hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] bona fide purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are: [a] tenant[s] in occupancy at the above-referenced property;

2. I/we represent that I/we am/are not purchasing the unit as an accommodation to, or for the account or benefit of the sponsor or principals of sponsor;

3. I/we have duly executed a purchase agreement and have paid the down payment as required in the plan and any amendment thereto;

4. The purchase agreement I/we have executed for the above-referenced unit does not contain any right of rescission that has not yet expired or been waived;

5. The purchase agreement I/we have executed for the above-referenced unit does not permit the assignment or transfer of the rights afforded therein; [*If a tenant in occupancy has assigned the purchase agreement, include the following, and distinguish between an assignment that is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the purchaser, if applicable:*

    a. The purchase agreement has been signed by purchaser as a bona fide tenant in occupancy in the above-referenced property; and

    b. The assignment was not procured by the sponsor, selling agent, or the managing agent of the property, and I/we represent that [I/we or a specified member of his or her immediate family will personally occupy the dwelling unit; and

    c. I/we have obtained an assignee affidavit.]

6. I/We signed the purchase agreement for the above-referenced unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements;

7. I/we am/are not the sponsor, selling agent, or a principal of the sponsor, the selling agent or the managing agent nor am/are I/we related to the sponsor, selling agent or the managing agent or any principal of the sponsor, the selling agent or the managing agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder or a limited partner, or member thereof.

8. [for plans that have not been updated prior to the date of the effectiveness amendment] I/we have been provided with a copy of the Department of Law memorandum entitled "Requirements for Effectiveness Amendments for Occupied Conversion Plans Under GBL § 352-eeee" and understand that I/we am/are providing this affidavit for purposes of declaring the plan effective.

_____
[Tenant Purchaser]

Sworn to before me this _____

day of _____, 20_____

_____
NOTARY PUBLIC

EXHIBIT "3"

AFFIDAVIT OF BONA FIDE NON-TENANT PURCHASER

Affidavit of Bona Fide Non-Tenant Purchaser
For Purposes of Declaring Offering Plan Effective

[insert name of non-tenant purchaser(s)]
[insert address of Condominium or Cooperative project name and property address]
File No. [insert NYAG File Number]
Unit No. [insert unit number(s)]
Purchase Price: [insert purchase price]
Down Payment: [insert down payment]

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

I/We, a purchaser[s] under the offering plan for the above-referenced [condominium/cooperative] hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] bona fide purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are [a] purchaser[s] who intends that I/we or one or more members of my immediate family members intends to occupy the unit when it becomes vacant;

2. I/we represent that I/we are not purchasing the unit as an accommodation to, or for the account or benefit of the sponsor or principals of sponsor;

3. I/we have duly executed a purchase agreement and have paid the down payment as required in the plan and any amendment thereto;

4. The purchase agreement I/we have executed for the above-referenced unit does not contain any right of rescission that has not yet expired or been waived;

5. The purchase agreement I/we have executed for the above-referenced unit does not permit the assignment or transfer of the rights afforded therein, [unless the assignment is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the purchaser. In such cases, state so];

6. I/We signed the purchase agreement for the above-referenced unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements;

7. I/we am/are not the sponsor, selling agent, or a principal of the sponsor, the selling agent or the managing agent nor am/are I/we related to the sponsor, selling agent or the managing agent or any principal of the sponsor, the selling agent or the managing agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder or a limited partner, or member thereof.

8. [for plans that have not been updated prior to the date of submission of the effectiveness amendment] I/we have been provided with a copy of the Department of Law memorandum entitled "Requirements for Effectiveness Amendments for Occupied Conversion Plans Under GBL § 352-eeee" and understand that I/we am/are providing this affidavit for purposes of declaring the plan effective.

_____
[Non-Tenant Purchaser or Authorized Signatory]

Sworn to before me this _____

day of _____, 20_____

_____
NOTARY PUBLIC

EXHIBIT "4"

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by Fulton Street Associates LP ("Declarant") establishing a plan for condominium ownership of the premises known as The Portland Condominium and by the street number 104-112 South Portland Avenue, Brooklyn, New York 11217 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, the owner of the Condominium Unit (the "Unit") in Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 2114 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the board of managers of the Condominium (hereinafter collectively referred to as "Condominium Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the General Common Elements which the Condominium Board, with respect to the General Common Elements and the Residential Board with respect to the Residential Section, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition,

construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Residential Board, in each case to the extent required in the By-laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, Non-Residential Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

_____

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

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "5"

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between Fulton Street Associates LP, a New York Limited Partnership, having an office at c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004 (the "Grantor") and _____ (the "Grantee"), having an address _____ at _____.

W I T N E S S E T H :

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

The Condominium Unit (the "Unit") in the premises known as The Portland Condominium and by the street number 104-112 South Portland Avenue, Borough of Brooklyn, County of Kings, City and State of New York, said Unit being designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said premises (the "Declaration") under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____ 20__ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____, 20__ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 2114 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____,20___, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of The Portland Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage interest in the General Common Elements (as such term is defined in the Declaration):

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

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

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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

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

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

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

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

The term “Grantee” shall be read as “Grantees” whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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

GRANTOR:

Fulton Street Associates LP

By: _____
Name:
Title:

GRANTEE:

_____

_____

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "6"

DESCRIPTION OF PROPERTY

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

August 14, 2023
Revised: May 29, 2025

Andrea Harris, AIA, NCARB, LEED AP BD+C
Design AIDD Architecture, DPC

Section 23.7
DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
104-114 South Portland Avenue and 680-686 Fulton Street, Brooklyn, New York 11217

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Section 23.7
DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
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General

This is an existing building and all existing components shall remain as is per the date of the visual inspection. The condition of all building components to the best of our knowledge are in acceptable and working condition as of the visual inspection date.

The Sponsor is delivering the existing building 'as is' and does not intend to 'repair', 'modify' or 'replace' the building components.

A. Location and Use of Property

1.	Address:	680-686 Fulton Street and 104-114 South Portland Avenue, Brooklyn, New York 11217
2.	Block No: Lot No.:	2114 23
3.	Zoning:	R7A / R6 / C2-4 COMMERICAL OVERLAY The property does not have any easements or restrictions related to the property and building.
4.	Map:	16c
5.	Permissible Uses:	Use Group as per New York City Zoning Resolution is: Residential: R-2 Commercial: 2 & 6

This existing building and its existing uses comply with all zoning and use requirements to the best of our knowledge at the date of inspection. This development does not have a Landmark status.

The Date of Existing Building Inspection was 01-16-1987 (per C of O)

B. Status of Construction

1. Year Built: The existing lot contained an existing 4-story plus cellar Residential and Commercial Building built in 1907 fronting Fulton Street and South Portland Avenue, with four (4) separate addresses.

   The existing building was altered in 1987 with a Certificate of Occupancy (CO) issued on 02/06/1987 under CO number 227276.

2. Class of Construction: The Building was classified under the Old Code designation as Class "A" Multiple Dwelling - Old Law Tenement 3:Non-Fireproof building and conformed to all applicable regulations of the Building Code of the City of New York ("Building Code").

The follow are existing BIS DOB application filings for the building:

DOB Job #	Date Filed	Description of Work	Status
301237828	10/25/2001	Renovate tenant space on the 1st floor	Permit issued and the Sponsor has hired an expeditor sign-off the appliacation.
320052526	07/28/2009	Minor interior renovation on 1st floor	Signed-off
322033090	03/19/2020	Façade repairs	Signed-off on 11/19/2021

3. Certificate of Occupancy, type and number:
   The Final Certificate of Occupancy (CO) was issued on 02/06/1987 under CO number 227276.

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4. Alteration Permits Numbers and Description of Work done:

The existing building was altered in 1987 with a Certificate of Occupancy (CO) issued on 02/06/1987 under CO number 227276. The project complied with the 1968 Building Code of the City of New York ("Building Code"). To the best of my knowledge all necessary permits were obtained and all required controlled inspections were completed prior to obtaining the Certificate of Occupancy. The Sponsor engaged a licensed professional unaffiliated with the Sponsor or the undersigned firm to conduct controlled inspections.

C. <u>Site</u>

1. Size: The lot area is approximately 11,004 square feet and the building gross floor area (including cellar, bulkheads and room boiler room) is approximately 47,179 square feet.

2. Number of Buildings and Use:

There is one (1) existing building that has four (4) stories plus a cellar and that contains forty-five (45) Residential Units (the "Residential Units") distributed from the Cellar through the 4th floors and two (2) Commercial Units on the 1st floor.

The residential portion of the existing building has four (4) separate entrances from the street each with a separate address as follows:

- 680-686 Fulton Street;
- 104-106 South Portland Avenue;
- 108-110 South Portland Avenue;
- 112-114 South Portland Avenue

Each entrance contains a Residential Vestibule with mail boxes. Floors 1-4 contain Residential Units with four (4) of the first floor residential units having recreation rooms (accessory to residential) on the cellar floor.

The Cellar contains four (4) Recreation Rooms (accessory to residential), building Storage, Boiler Room, four (4) Laundry Room (accessory to residential) one in each of the four building portions, Superintendent's Workshop and Mechanical Meter Rooms. The main roof is on the 5th floor and a rear yard at grade level.

3. Streets Owned or Maintained by the Project:

The existing building is abutted by Fulton Street and South Portland Avenue. The residential portion of the existing building has four (4) separate entrances from the both streets – one (1) along Fulton Street and three (3) along South Portland Avenue while the two (2) Commercial spaces have entrances along Fulton Street.

i.) Paving: The Street abutting the site on Fulton Street and South Portland Avenue are in accordance with New York City Department of Transportation (NYC DOT) requirements with asphalt topping in good condition.

ii.) Curbing: The curbs on Fulton Street and South Portland Avenue Street are concrete curbs and are in accordance with New York City Department of Transportation (NYC DOT) requirements.

iii.) Catch Basin, Drainage: The sidewalks are presently pitched to drain away from the building towards the street curb through existing cast iron catch basins into the New York City storm water drainage system in accordance with Local Law No. 103/89.

iv.) Street Lighting: The street lighting is provided by existing NYC street light poles and maintained by the City of New York.

v.) These items conform to all local fire district and New York City Department of Building and New York City Department of Transportation Codes.

4. Drives, Sidewalks and Ramps:

i.) Paving: The existing sidewalks along Fulton Street and South Portland Avenue are scored, poured-in-place concrete. The conditions of the sidewalks are 'acceptable'.

ii.) Curbing: There are no curb cuts for entrance driveway along Fulton Street and South Portland Avenue. The existing curbing along Fulton Street and South Portland Avenue are to remain and are in good condition and acceptable.

iii.) Catch Basin, Drainage: The existing sidewalks are presently pitched to drain away from the building towards the street curb through existing cast iron catch basins into the New York City storm water drainage system in accordance with Local Law No. 103/89. The conditions of the catch basins are 'acceptable'.

iv.) Street Lighting: The street lighting is provided by existing NYC street light poles and maintained by the City of New York. The conditions of the street light are 'acceptable'.

v.) These items conform to all local fire district and New York City Department of Building and New York City Department of Transportation Codes.

D. <u>Utilities</u>

1. Electricity:

i.) Con Edison, a regulated utility company provides electricity to all components of the existing building. The electrical configuration for the house panel serving their respective building house loads are as follows:

a) Electrical feed from the Service End Box (SEB) to a 125A bus, 208/120V, 3-phase panelboard. Along the run is a 100 amp disconnect switch and a 200 Amp, 120/240V Con Ed meter serving all house loads (108-110 South Portland Avenue).

b) Electric feed from the Service End Box (SEB) to a 125A bus, 208/120V, 3-phase panelboard. Along the run is a 100 amp disconnect switch and a 200 Amp, 120/240V Con Ed meter serving all house loads (108-110 South Portland Avenue).

c) Electric feed tapped from the surface raceway serving the apartment meter banks. House panel is a 100 A, MCB, 3-phase

with a with a 200 Amp, 120/240V Con Ed meter. (680-686 Fulton Street / 104-106 South Portland Avenue).

ii.) Con Edison service for residential units and common residential areas is metered and paid by the residential unit owners. The meters for 680-686 Fulton Street and 104-106 South Portland Ave. portions of the building are located in the 680-686 Fulton Street Electric Meter Room in the Cellar and 108-110 and 112-114 South Portland Ave. portions of the building have their own Electric Meter Room in the Cellar. Portions of the building have their own Electric Meter Room in the Cellar. Meters are fed from three 400A, 3 pole main switches.

iii.) The electrical system throughout and switchgear is functional and maintainable as necessary. The condition is 'acceptable' and are 'existing to remain' and are to be 'as is'.

2. Gas: National Grid supplies gas for space heating, domestic hot water and residential cooking in accordance with New York City Building Code. The gas supply to the building is provided by a 4" gas service coming from South Portland Avenue to the cellar space of 104 South Portland Avenue. There are gas meters installed in the cellar by the point of service entry as follows: one (1) meter dedicated to the space heating/domestic hot water boilers, one (1) meter dedicated to laundry dryers and twin set of meters dedicated to the apartments' cooking ranges.

3. The City of New York will provide water supply and combined sewer/storm service. The charges for water and sewer services provided to the building will be levied on the basis of a master city meter. The building is supplied by two water services: one 3" domestic water service and one 4" fire sprinkler service. The sanitary and storm drains in the building are through a combined sewer, one dedicated to each address.

4. Telephone and Internet: Verizon FIOS and Spectrum provides telephone service and broadband internet access to all occupancies. Each residential unit owner will be required to pay telephone/internet charges. The operator of such units will pay for the charges with respect to the telephone/internet service in the building. Each residential unit is pre-wired to be a self-contained Local Access Network (LAN) for computer (data) use. The residential unit LAN is pre-wired for the delivery of High Speed Internet services and Voice Over Internet Protocol (VoIP). Every living room and bedroom in the residential units is furnished with telephone and computer data cables and outlets.

5. Cable Television: Cable television services will be available for all residential units through Verizon FIOS and Spectrum. All charges for video/television services (including subscription charges) are paid by each residential unit owner that subscribes. In each residential unit, cable TV outlets will be provided in every living room and bedroom.

6. Heat: The residential units are provided with hot water from a gas-fired boiler plant system in accordance with the New York State Energy Conservation Code. Heating is provided to each apartment via hot water radiators.

7. Washers & Dryers: Each building address has a common laundry room for a total of four (4) existing laundry rooms in the cellar. 680-686 Fulton Street has one (1) washer and one (1) dryer, 104-106 South Portland Avenue has one (1) washer and one (1) dryer, 108-110 South Portland Avenue has two (2) washers and two (2) dryers and 112-114 South Portland Avenue has two (2) washers and two (2) dryers.

8. Air Conditioning: Bedrooms and living/dining rooms have the ability to be air conditioned with window electric air conditioners, the purchase and maintenance of any air conditioning equipment will be the responsibility of each Unit Owner.

9. Trash: There will be a Municipal Trash Collection (City of New York) for the residential units.

E. Sub-Soil Conditions

1. There are no apparent visual signs of any uneven foundation settlement or movement that has occurred since the construction of the building.
2. The existing building has not shown any visual signs or evidence of moisture or seepage or ground water infiltration and no corrective action is needed.
3. There is no danger of damage to the existing building from flooding either due to water table in the area or overflow from other bodies of water. There is no potential for erosion or mudslides.
4. The building is not in a flood zone.
5. There is no presence of any hazardous materials and no environmental restrictions present on the existing property to the best of my knowledge.

F. Landscape and Enclosure

1.	Grass Cover:	The entire existing main roof area is of a bituminous membrane roofing with a silver reflective surface coating finish. The conditions of all the roof is 'acceptable'. Grass cover is 'not applicable'.
2.	Plantings:	There are existing deciduous trees planted at the rear yard. The conditions of all the trees are 'acceptable' and are 'existing to remain' and are to be 'as is'.
3.	Trees:	There are two (2) trees that were planted along Fulton Street and five (5) trees that were planted along South Portland Avenue. Each tree includes a pit, wrapping and staking in accordance with the Bureau of Highway Operations Specifications and the Department of Parks and Recreation. Tree species was determined by the Department of Parks and Recreation. The Unit Owners are responsible for maintaining the mulch beds that the trees are located in, including removal of litter and debris.
4.	Fencing:	There are existing metal fences on the sidewalk along the cellar areaways and metal gates in front of each entrance of South Portland Avenue. The conditions of all the fencing are 'acceptable' and are 'existing to remain' and are to be 'as is'. There is a chain link fence at the rear yard property line. There is a wood fence on a concrete retaining wall along the southern side of the rear yard.
5.	Gates:	There are three (3) existing 3'-0" high metal gates at the entrance stoop of each building entrance along South Portland Avenue that are finished with exterior grade oil based paint. The conditions of these gates are 'acceptable' and are 'existing to remain' and are to be 'as is'.
6.	Garden Wall:	Not applicable
7.	Retaining Walls:	There is an existing 2'-6" high, 10" thick concrete retaining walls supporting an approximate 8'-0" high wooded fence and an approximate 10'-0" high chain link fence along the rear yard property line. The condition of the

existing retaining wall and fences are 'acceptable' and are 'existing to remain' and are to be 'as is'.

8. Display pools and fountains: Not applicable

G. Building Size

1. Total Height: The height of the building from the Zoning Base Plane based upon the NYC Zoning Resolution Base Plane calculations (ZR 12-10) to the top of the slab of the Elevator Bulkhead is approximately 44'-0". Local law 11/98 does not applies to the building façade.

2. Crawl Space: Not Applicable.

3. Number of Sub-cellar and Cellars: Sub-cellars are not applicable. There is a cellar with the ceiling heights that vary.

4. Number of Floors:

   i.) There are four (4) levels above grade (First Floor) numbered 1st through 4th. There is a Cellar Level below grade.

   ii.) Cellar floor-to-ceiling height is from approximately 7'-6".

   iii.) 1st floor: The residential vestibules and the main residential 1st floor-to-ceiling height is approximately 12'-0".

   iv.) 2nd – 4TH floor-to-ceiling height is approximately 9'-6" (except in certain areas with dropped ceilings such as bathrooms, kitchens, foyers, corridors, hallways and closets).

   v.) Stair Bulkheads: Top of the stair bulkhead floor to the top of stair bulkheads roof is approximately 8'-0".

   Roof Parapets: Height from finished roof to top of metal guard rail along the street sides at the main roof is a minimum of approximately 3'-6". The existing masonry parapet along the inner courts vary in height.

   Note: All heights are approximate due to possible field conditions. Rough floor-to-ceiling heights have been measured from the top of finished floor/structure to bottom of finished ceiling /structure, unless otherwise noted.

5. Equipment Room: The Fire / Water Pump Room, Gas Meter Room, and Electrical

   Room are located in the cellar. The Boiler Room is located in the cellar of 680-686 Fulton Street.

6. Parapets Height: Height from finished main roof to top of metal guard rail along the street sides at the main roof is a minimum of approximately 3'-6". The height from the top of the finished roof to the top of the existing masonry parapet coping on the main roof along the inner courts vary in height.

7. Occupancy:

   i.) There are 45 existing Residential Units located on the 1st floor through the 4th floor of the existing building and two (2) stores located on the 1st floor.

   ii.) The existing Cellar floor included building storage rooms, four (4) laundry rooms (accessory to residential), four (4) recreation rooms

(accessory to residential), boiler room, electric meter rooms, gas meter room and fire / water pump room.

iii.) The existing Roof is approximately 9,040 square feet.

H. STRUCTURAL SYSTEM – PRIOR BUILDING

The building is existing and mostly consists of brick masonry foundation walls. There is a small portion of the existing foundation wall that is made of rubble stones at the rear. At the front of the building along Fulton Street, the existing foundation wall is made of concrete. The existing concrete foundation wall appears to be erected for the adjacent subway station and not the original foundation wall. The existing concrete foundation walls appear to be in 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

There are few existing brick piers under the commercial retail space. There are existing steel beams spanning from piers to piers and the existing floor joists are supported by the steel beams at such locations.

There has been no evidence of moisture seepage or ground water infiltration.

1. Exterior of Building: The superstructure of the existing building consists of brick masonry exterior bearing walls. There are load bearing timber walls on the interior. The residential floor construction consisted of timber joists spanning from load bearing wall to load bearing wall. There are few cast iron columns in the first-floor retail space inure of the load bearing walls.

Underpinning, a sub-grade drainage system and waterproofing was not observed because it was concealed.

i.) Walls: The existing exterior walls consists of solid brick masonry bearing walls. The exterior wall finishes along the north and east facades are comprised of natural limestone veneer. There are bricks wall behind the limestone finish. The rear façade has exposed solid brick masonry load bearing walls.

The interior apartment demising walls are provided with R 11 sound insulation. The exterior walls are provided with R-11 fiberglass insulation. No insulation is provided in the floors.

Local law 11/98 does not applies to the building property.

ii.) Windows: The Residential Units existing exterior windows are tilt and double-hung windows of varying sizes. The front street elevation windows are double glazed tilt and double hung Wood windows, to satisfy the NY State Historic Rehabilitation requirements. All other rear façade windows are double hung and double glazed Aluminum windows that are thermally broken with aluminum extrusion construction. Screens for the windows are provided. The perimeters of all windows are provided with sealants to control water and air infiltration.
Structural Performance: Withstand without excessive deflection, damage or impairment of function wind or seismic loads established by the requirements of the New York City Building Code.

The existing windows are in 'acceptable' condition and do not need to be remedied. The windows are and are 'existing to remain' and are to be 'as is'.

Manufacturer: Woodstar Inc. for wood windows
Mannix Industries Inc. for aluminum windows

Manufacturer's Warrant: Warranty has expired

No Lot Line Windows exist on the project.

No window washing system was installed.

a) Sills: Along all street facades the windows have existing limestone and sill. At the rear facades there are existing cast stone sills at the windows.

b) Screens: Window screens are provided.

c) Lintel: Along all street facades there are existing stone lintels above window openings and at the rear facades there are arched brick lintels above window opens.

d) Storm Sash: Not Applicable

e) Hardware: The hardware is fabricated from aluminum, stainless steel and other non-corrosive materials compatible with aluminum and of sufficient strength to perform their functions.

iii.) Landmark Status: Not Applicable

2. Parapets and Copings: The construction of the existing roof parapets at the 5th floor consists of brick masonry bearing walls with camel-back terra-cotta coping at all rear yard and inner court parapet walls.
On the main roof there are metal guard rail along the street sides where the height of the parapet extends to the required minimum height of 3'-6" above the finished roofs.

3. Chimneys and Caps: Main boiler room is located in the cellar. All space heating hot water boilers and domestic water heaters are housed in this boiler room. There is a free standing masonry chimney with a terra-cotta lining on the main roof associated with the boilers.

4. Balconies and Terraces: There are no balconies and terraces on the property and are not applicable.

i.) Deck Finish: Three (3) of the first floor units have existing wooden decks onto the rear yard.

Condition: The wooden decks appear to be in good condition and are 'acceptable' and are 'existing to remain' and are to be 'as is'.

ii.) Balustrade: None

iii.) Railing: Not Applicable

iv.) Copings: Not Applicable

v.) Soffits: Not Applicable.

vi.) Doors to Balconies and Terraces: Not Applicable.

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5. Exterior Entrances: There are four (4) Residential entrances at 680-686 Fulton Street; 104-106 South Portland Avenue; 108-110 South Portland Avenue and 112-114 South Portland Avenue. Each entrance is recessed and has a residential vestibule.

   i.) Exterior Doors and Frames: The existing Residential Lobby entrance doors are double-leaf double thickness insulated tempered glass doors and frames with hollow metal steel construction and electric strikes.

   ii.) Vestibule Doors and Frames: The existing Vestibule door are double-leaf double thickness double thickness insulated tempered glass doors and frames with hollow metal steel construction and electric strikes.

   iii.) Exterior Stairs: Each of the entranced along South Portland Avenue have existing exterior stairs.

   iv.) Railing: There are existing metal fences on the sidewalk along the cellar vault areaways and metal gates in front of each entrance of South Portland Avenue that are finished with exterior grade oil based paint.

   The condition of the exterior railings and gates are acceptable.

   v.) Mail Boxes: The existing Mail Boxes are located in each of the four entrance vestibules. The mailboxes do comply with current United States Postal Service regulations.

   vi.) Lighting: The building has a combination of exterior existing surface mounted LED and sodium light fixtures along both street facades at the second floor.

6. Service Entrance: Not Applicable

7. Roof and Roof Structure:

   i.) Roof type for all areas:

      a.) Material: The existing roofing system is a bituminous membrane roofing at the main roof and stair bulkheads and was installed in 1997.

      b.) Insulation: To the best of our knowledge R-30, 9″ of batt insulation was provided between the wood joists of the roof structure

      c.) Surface Finish: The entire surface finish of the main roof has a silver reflective coating.

      As of 05-17-25 the Sponsor has recoated the entire roof with a new silver reflective coating and existing flashing has been repaired where needed. The overall condition of the coating is in good 'acceptable' condition.

      d.) Bond or Guarantee: The roofing system warranty may have expired. The age of the roofing is approximately 28 years and was installed in 1997.

      e.) Flashing Materials including counter flashing: There are metal cap flashing and metal base flashing. The counter

flashing does not appear to be prevented from being properly utilized to service the roof or flashing underneath.

f.) Condition: The roof and its surface finish appear to be in 'acceptable' condition.

The roof is nearing the end of its useful life in approximately 2 plus years and can be replaced when necessary.

The sponsor over the years have well maintained the roof and has repaired the roof when needed, rendering it is good 'acceptable' condition. The roof is 'existing to remain' and to be 'as is'.

ii.) Drains: Roof drainage is provided by four (4) existing scuppers, one per section of the roof. There are no roof drains on the main roof. The existing roof slopes to the existing scuppers and to the best of our knowledge the scuppers are sufficient to drain various areas of the main roof.

a.) Location: There are no existing roof drains but drainage is provided by existing scuppers located at the rear of the existing building.

b.) Gutters and Leader: The scuppers have exposed leader lines that run underground below the cellar floor and connect to city storm.

iii.) Skylights: Above each stair bulkhead there are existing 60"x72" wire-glass as per NYC Fire Department requirements fixed rectangular hip ridge roof skylights, each with a protective metal screen and venting.

There is an additional 24"x24" insulated double glazed fixed skylight on the main roof over apartment 4B of 104-106 South Portland Avenue manufactured by Velox USA.

The condition of the existing skylights are 'acceptable' and are 'existing to remain' and are to be 'as is'.

iv.) Bulkheads:

a.) Stairs: There are four (4) stair bulkheads of brick masonry construction and finished with stucco. The condition of the stucco exterior finish appears to be in 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

b.) Elevator: Not Applicable.

c.) Other: Not Applicable

v.) Metal Work at Roof Levels:

a.) Exterior Metal Stairs: Not Applicable

b.) Vertical Ladder: Not Applicable

c.) Railings: On the main roof there are metal guard rails along the street sides of the main roof at a height of 3'-6" above the finished roofs.

d.) Hatches to Roof: Not Applicable

e.) Other: Not Applicable

vi.) Rooftop facilities and Roof Access: The roof has an area of approximately 9,040 square feet.

There main roof has FDNY rooftop access and complies with 2014 NYC Fire Code, Section FC 504.4 (Roof Top Access).

The main roof is a means of egress and will not be used as a roof terrace by the Residential Unit Owners.
This main roof is not allocated as an Accessory to Residential in the Certificate of Occupancy.

8. Fire Escape: One (1) fire escape is located on the Fulton Street Façade and four (4) sets of fire escape along the rear yards.
The fire escape along the street side was inspected, scrapped and repainted with a rust inhibiter primer and two coats of oil based exterior grade paint in 2021.
The fire escapes along the rear of the building was inspected, scrapped and repainted with a rust inhibiter primer and two coats of oil based exterior grade paint in 2023.

The condition of all fire escapes appear to be in 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

9. Yards and Courts: There is one (1) rear yard and five (5) interior air shaft courts within the building and an areaway along the front of the building along South Portland Avenue.

i.) Paving: Most of the rear yard is dirt with a small portion of the rear yard having rectangular bluestone pavers that appear to be in 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

ii.) Drainage: There are a total of four (4) yard drains at the rear yard cellar level; one (1) yard drain in each of the interior air shaft for a total of five (5) yard drains and two (2) yard drains in the front areaway.

There are no detention tanks or dry wells in the rear yard or air shaft courts.

There are no fire hydrants along the sidewalk along South Portland Avenue and Fulton Street in front of the property. The nearest fire hydrant is across the street of the building along Fulton Street.

iii.) Railing: Not Applicable

iv.) Stairs:

a) There are 2 exterior concrete stairs leading from the cellar level up to the rear yard and they are both of acceptable condition.

b) Three (3) of the first floor units have wooden stairs leading from a wooden deck down onto the rear yard. The wooden stairs and deck are exposed and were reconstructed in 2023 of lumber treated for exterior use and appear to be in

'acceptable' condition and are 'existing to remain' and are to be 'as is'.

v.) Fencing: There is a chain link fence on concrete retaining wall at the rear yard property line. There is a wood fence on a concrete retaining wall along the southern side of the rear yard. The condition of the fencing is 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

vi.) Walls: There is an existing 2'-0" high, 8" thick concrete retaining walls supporting an 8'-0" high wooded fence and a 10'-0" high chain link fence along the rear yard property line. The condition of the existing retaining wall and fences are 'acceptable' and are 'existing to remain' and are to be 'as is'.

10. Interior Stairs:

i.) Number of Stairs of Each Type: Egress requirements are met by the four existing (4) stairs, one (1) per building address and these Egress Stairs extends from the Cellar floor level to the main roof.

ii.) Stringers: Steel (metal) channels.

iii.) Treads: Metal

iv.) Risers: Metal

v.) Guard Rails: Stairs have1 ½" diameter metal guardrail.

vi.) Balustrade: None

vii.) Handrail: All stairs have 1 ½" diameter metal handrail.

viii.) Enclosure: The egress exit stairs are enclosed with a two-hour rated drywall construction. Each stair construction is painted.

11. Interior Doors and Frames:

i.) Unit Entrance and Interior doors and frames: The unit entrance doors are 2'-6" to 3'-0" by 7'-6" and frames is 1½-hour fire rated F.P.S.C. painted hollow metal type doors with a peephole and mortise entry lockset that meet the requirements of the New York City Department of Buildings Code.

The residential unit interior doors and closet doors are 1 ¾" thick and 7'-6" high hollow core wood doors with hollow metal frames. Closet swing doors are 1 3/8" hollow core wood doors. The saddles at the unit entrance and bathroom are stone.

ii.) Corridor Doors and Frames: All doors and frames are 1½- hour fire rated F.P.S.C. painted hollow metal type and meet the requirements of the New York City Department of Buildings Code.

iii.) Stairs Hall Doors and frames: All doors and frames into exit stairs are 1½-hour fire rated F.P.S.C. painted hollow metal type with clear glass wire panel and meet the requirements of the New York City Department of Buildings Code.

iv.) Roof doors and Cellar Doors and Frames: Exit doors to exterior main roof and to the elevator machine room are 1½ hour fire rated F.P.S.C. hollow metal type doors with weather stripping and a metal saddle. The cellar doors are 1½-hour fire rated F.P.S.C. painted hollow metal type. The roof and cellar doors meet the requirements of the New York City Department of Buildings Code.

v.) Other Locations: The Fire / Water Pump Room, Gas Meter Room, Electrical Rooms and Storage Rooms have hollow metal doors and frames.

12. Elevators: Not Applicable

i.) Number of Service Elevators: Not Applicable

ii.) Manufacturer: Not Applicable

iii.) Capacity: Not Applicable

iv.) Type of Operation: Not Applicable

v.) Controls: Not Applicable

vi.) Floors Served: Not Applicable

vii.) Doors: Not Applicable

viii.) Elevator Machine Room: Not Applicable

13. Elevator Cabs: Not Applicable

i.) Cab Kind: Not Applicable

ii.) Floor: Not Applicable

iii.) Walls: Not Applicable

iv.) Ceiling: Not Applicable

v.) Lighting: Not Applicable

vi.) Handrail: Not Applicable

I. AUXILLARY FACILITIES

1. Laundry Rooms: Each building address has a common laundry room for a total of four (4) laundry rooms in the cellar. 680-686 Fulton Street has one (1) washer and one (1) dryer, 104-106 South Portland Avenue has one (1) washer and one (1) dryer, 108-110 South Portland Avenue has two (2) washers and two (2) dryers and 112-114 South Portland Avenue has two (2) washers and two (2) dryers. The machines are self – managed heavy duty coin operated units. The dryers are gas operated dryers and vented in accordance with the manufacturer's requirements. The washers are electric. The laundry washers and dryers are of 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

i.) Location and number of rooms: There are four (4) laundry rooms, one (1) in the cellar of each building

ii.) Clothes Washers: There are a total of six (6) coin operated electric Washers
Manufacturer: Alliance Laundry Systems LLC
Model #: SWNNC2SP115TW01
Load Size: 14 lbs

iii.) Clothes Dryers: There are a total of six (6) coin operated gas dryers.
Manufacturer: Alliance Laundry Systems LLC
Model #: SWT921WN
Load Size: 14 lbs

2. Refuse Disposal: Not Applicable

i.) Incinerator: Not Applicable

ii.) Compactors: Not Applicable

iii.) Approvals: Not Applicable

iv.) Initial Storage Location: Not Applicable

v.) Pick-up schedule: The bags for residential unit refuse are picked up by the New York City Department of Sanitation on its regular schedule.

3. Recreation Space: None

4. Storage Rooms: There are nine (9) building Storage Rooms located in the cellar. No storage space is allocated for tenant use.

5. Bicycle Storage Room: There is one (1) Bicycle storage room in the cellar of 108-110 Portland Avenue.

J. PLUMBING AND DRAINAGE

1. Water Supply:

i.) The domestic cold water in the building is supplied by a 3" cold water service incoming to the 686 Fulton Street cellar. The water service is installed with a NYC approved water meter with a remote reader. The water pressure in the plumbing system is maintained by the city water main system. No booster pump is installed in the building. The water to the apartments is delivered by risers taken off the water distribution throughout the building's cellars. The water piping in the building is insulated.

ii.) The domestic hot water in the building is produced by and stored in two (2), 119-gallon each indirect water heaters (heat exchangers). The indirect heaters are manufactured by 'Viessman' model no. Vitocell 100B, supplied with the service water by dedicated boilers. The domestic hot water to the apartment is tempered by a mechanical mixing valve. To allow for near instant domestic hot water to be delivered to the apartments fixtures, and for water conservation measures, the domestic hot water in the building is recirculated through a recirculating pump set. The return line is installed with an in-line re-circulator and blended with cold water supply to the hot water heaters. The hot water heaters are 'existing to remain' and are to be 'as is', are well maintained and in good operating 'acceptable' condition commensurate with their age.

iii.) The hot and cold piping is provided with the code compliant insulation as required. In places where pipe insulation is missing or damaged, the insulation will be replaced with code compliant insulation and R-value.

2. Fire Protection System:

The building was built in 1907 and approved under the New York City 1899 building code in which an automatic sprinkler system was not required for the building at that time and the building predates the requirements for full sprinklerization in R occupancies.

The fire protection in the building is provided by an automatic wet sprinkler system at public staircases of buildings 104, 108 and 112 South Portland Avenue only from the cellar to the roof. On October 30, 1985, the DOB approved under Application No. Misc. 243/85 the installation of sprinkler system be installed in (3) three building staircases.
The building located at 680 Fulton Street does not have sprinklers installed. None of the apartments have sprinklers installed as none were required at time of Certificate of Occupancy.

The system is supplied with water by a 4" fire sprinkler service incoming to the cellar vault behind the meter room at 108 South Portland Avenue. The water service is installed with a single detector check valve by Hersey. The sprinkler system at each staircase is provided by a dedicated 2 ½" branch and riser, controlled by an isolation valve, a flow switch, and a local electric alarm bell. There is an inspector test valve installed at the top floor of each riser. The pressure read at the inspector test valve was approximately 55 psi, which is the normal street pressure and is adequate for the proper system work.

i.) The building is not equipped with a fire sprinkler system throughout and is only present in the public hallways and staircases of 104, 108 and 112 South Portland Avenue. None of the apartments have sprinklers installed.

ii.) The sprinkler heads are exposed.

iii.) No Fire Department connections are provided.

iv.) No Standpipe System is installed in the facility.

3. Sanitary Sewage System: The sanitary drain in the building is done by gravity to the underground combined sewer at each building address. There are total of four (4) existing building combined sewers exiting the building to the street sewer mains in South Portland Avenue and Fulton Street. The size of the sanitary drains or combined sewers could not be verified. The sanitary piping used in the building is no-hub cast iron above grade and hub spigot with neoprene joints below grade. The toilets used in the building are floor mount, floor outlet, flush tank type.

4. Permits Required:

i.) Approval had been obtained from the New York City Department of Environmental Protection and Applications were filed with the NYC Department of Environmental Protection.

5. Storm Drainage System:

i.) Storm drain in the building is done by gravity to the underground combined sewer at each building address. There are total of four (4) existing building combined sewers exiting the building to the street sewer mains in South Portland Avenue and Fulton Street.

ii.) The storm water from roofs is collected by a series of scuppers and vertical conductors discharging to the underground building combined drain. The exterior storm water is collected to the interior underground building sewer by series of area drains. Some of the area drains are found spilling to the cellar floor drains through vertical conductors. The drainage in some airways / light wells-have not been found during the field observation.

K. HEATING

1. Heating and distribution of domestic hot water:

i.) The building is heated via a boiler plant. The residential units are provided with hot water from a building boiler plant room. Residence hot water circulating pumps will circulate water to heating coils in each cabinet unit heater. The hot water is circulated by means of circulating pumps and shedule-40 steel and/or type "L" copper hot water distribution system. The boilers, through a separate loop, also feed heat exchangers to produce Domestic Hot Water.

The boilers are in 'acceptable' operating condition and are well maintained and are 'existing to remain' and are to be 'as is'.

The indirect Domestic Hot Water Heaters are 95% efficient and utilize boiler hot water through an internal heat exchanger within the tank to make domestic hot water. The heaters are 'existing to remain' and are to be 'as is', are well maintained and in good operating 'acceptable' condition commensurate with their age.
The Hot Water Heaters were installed in 2019 and have a 10 year warranty on the heat exchanger coil and tank. When the property and equipment is well maintained, the expected remaining useful life of the heaters is approximately 24-29 years.

ii.) Number of Boilers and description:

The building is heated via a boiler plant consists of six (6) modular (2-modules), gas-fired cast iron hot water boilers, model no. MR-600B manufactured by 'Hydo Therm'. The boilers are rated at 1,800 MBH each. Boilers have an 85% efficiency factor, and are adequate to provide both heat and domestic hot water for the buildings served.

iii.) Convectors: Heating is provided to each apartment unit via hot water convectors typically located below the window sills of the living rooms, bedrooms and bathrooms with windows only.

Manufacturer: Standard Governale, Model Type FBS

Manufacturer's Warranty has expired but the convectors are in are well maintained and in good operating 'acceptable' condition, are 'existing to remain' and are to be 'as is'. When the property and equipment is well maintained, the expected remaining useful life of the convectors is approximately 7-10 years and can be replaced individually as needed.

L. GAS SUPPLY

1. The gas in the building is provided by a 4" low pressure services coming to the cellar off 104 South Portland Avenue.

2. Gas Meter installed in the building are as follows:

   i.) One (1) meter dedicated to the heating/hot water Boilers;

   ii.) One (1) meter dedicated to laundry dryers and;

   iii.) One (1) twin set of meters dedicated to tenants cooking.

3. The capacity of the meters are as follows:

   i.) Boiler:- Rotary meter 3M175-3,000 CFH

   ii.) Laundry: Diaphragm meter AL-425-425 CFH

   iii.) Tenant's cooking: Twin set diaphragm meter(s) AL-425-425 CFH each.

4. The gas distribution piping is in accordance with New York City Plumbing Code. Local gas utility company supplies gas.

M. AIR CONDITIONING

1. Type of System: Each bedroom and living/dining room is equipped with an outlet for an electric air conditioning unit in window.

2. Central System: Not Applicable. There is no central air conditioning provided in the residential units.

3. Cooling Tower, Condensers: Not Applicable

4. Individual Units Covered by the Offer: The purchase, installation and maintenance of the window air conditioning equipment will be the responsibility of each Unit Owner.

N. VENTILLATION:

1. Each residential bathroom is exhausted through means of natural or mechanical ventilation, depending on actual unit layout. Each residential kitchen is exhausted through means of mechanical ventilation with an exhaust duct connected to a shaft-way. At the roof level a standard centrifugal roof exhauster is provided for kitchen and bathrooms that are mechanically vented. Kitchen and toilet exhaust do not appear to be mixed.

2. The lobby and vestibule is provided with hydronic cabinet unit heaters to provide heating only.

O. ELECTRICAL

1. Three main electrical services, serving both residential and common spaces, are run underground to their respective meter rooms located at 680-686 Fulton Street, 108-110 and 112-114 South Portland Ave. A 400 amp, 3 pole fused disconnect switch, located in each meter room, in accordance with the New York City Electrical Code protects the incoming electrical service. There is one meter room located in the cellar floor, which contains the main electrical disconnect switch and apartment meter banks. Separate disconnect switches and metering equipment have been provided for the residential house loads and retail spaces (680-686 Fulton Street only).

2. Electric Meters: Each unit is separately metered by the Electric Company – Con Edison. Load Centers (electrical panels) are located in each apartment and protected through main breakers located adjacent to the meters. Main breakers for each apartment are rated at 60 or 70 Amperes, 2-pole, single phase. The existing apartment circuit breakers are adequate to handle modern appliances and have adequate spare spaces for additional breakers as required.

3. Each residential unit is provided with 125-ampere bus, 208V/120, 1 - phase load center. The overcurrent protection serving the residential load centers are 60A and 70A, 2 pole, single phase circuit breakers located within the apartment meter banks in the meter room. Load centers, ranging between 12 – 16 poles have dedicated circuits supplying power to individual kitchen appliances, air conditioners and general lighting and receptacles. Each residential unit owner is separately metered by Consolidated Edison and paid directly to utility company.

4. Each residential unit to have down lights in the entry, corridors, and bathrooms.

5. All apartment light fixtures are in 'acceptable' condition, 'existing to remain' LED fixtures and are to be 'as is'.

6. General outlets are provided in each room and appliance outlets are provided in the kitchen area as required.

7. Generator: No emergency generator is provided at the building since the building is not equipped for one.

8. The electrical system, electrical elements and switchgear are in generally good 'acceptable' condition and are 'existing to remain' and are to be 'as is'.

P. INTERCOMMUNICATIONS AND/OR DOOR SIGNAL SYSTEM

1. Each residential unit is equipped with an existing 'The Alpha Communications / TekTone' TA 205C 5-wire Intercom System with TekTone Entrance Panel, Model #AM301.

   The manufacturer's warranty has expired and the system is old and is to be 'Replaced'.

   The Sponsor will provide the installation of a new intercom system including a new panel at the existing panel location, manufactured by 'Paso Sound Products' with push button. Each residential unit will be provided with a low-profile tab 4.3 monitor. An 'Elvox' Riser-less IP Door Entry system will be provided along with an 'Akuvox' touch cloud-based POE video intercom platform.

   All work done will be guaranteed for a period of three (3) years. The estimate cost of the intercom system replacement is approximately $66,300 and the prescribed time of completion is one (1) month and the anticipated start of installation is July 2025.

Q. PUBLIC AREA LIGHTING

1. All street level entrances to the building, rear yard, public hallways, corridors, cellar and stairwells are provided with adequate lighting. The building entrances and rear yards are provided with exterior LED wall sconces by 'RAB Lighting'.
2. Entry vestibules and egress stairs has been provided with surface mounted LED RemPhos Drum fixtures by 'Light Efficient Design.
3. The building service rooms, storage rooms and public corridors in the cellar are provided with 4 feet bi-level Occusmart surface mounted LED fixtures by 'Lamar Lighting Co.'
4. All lighting levels have been designed in accordance with the NYC Building Code and the Housing Maintenance Code. These fixtures are wired to the house meter.

R. GARAGE AND PARKING AREA

1. Not Applicable. There is no on-site parking garage.

S. SWIMMING POOL

1. Not Applicable. None Provided.

T. TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

1. Tennis Courts: Not Applicable.
2. Playgrounds: Not Applicable.
3. Other Recreation Facilities: Not Applicable

U. PERMITS AND CERTIFICATES

1. The existing building was altered in 1987 with the Department of Buildings of the City of New York ("DoB") and was approved and signed-off and a Certificate of Occupancy (CO) issued on 02/06/1987 under CO number 227276.
2. All necessary permits were obtained and all required inspections completed prior to obtaining the 1987 Certificate of Occupancy.
3. The following are a list of recurring inspections after the building is in operation:

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i. Boiler Inspections: Annually

ii. Sprinkler Inspection (for public stairways): Annually

iii. LL 152 – Gas line Inspections: Every 5 years

iv. LL 84 – Energy Benchmarking: – Due Annually

v. LL 87 – Energy Audit Reports: Due every 10 years

vi. LL 126 – Parapet Inspections: Annually

V. VIOLATIONS

1. There are no open DOB or ECB violations present. The Sponsor will cure any outstanding violations prior to the closing.

W. UNIT INFORMATION

The Sponsor is delivering the existing building 'as is' and does not intend to 'repair', 'modify' or 'replace' the building components. All existing floor and wall finishes, bathroom fixtures, kitchen appliances, counters, cabinets and wood flooring are in' acceptable' condition and are 'existing to remain' and are to be 'as is'. New kitchen appliances and kitchen cabinets were installed at the time an apartment was turned over. All kitchen appliances and bathroom fixtures are no older than 10 years.

1. There are forty-five (45) residential units in the building.

2. Floor to Floors Ceiling Heights:

   i.) Cellar floor-to-ceiling height: Approximately 7'-6".

   ii.) 1st floor-to-ceiling height: Approximately 12'-0".

   iii.) 2nd – 4TH floor-to-ceiling height is approximately 9'-6" (except in certain areas with dropped ceilings such as bathrooms, kitchens, foyers, corridors, hallways and closets which vary in height).

   iv.) Stair Bulkheads: Top of the stair bulkhead floor to the top of stair bulkheads roof is approximately 8'-0".

   Note: All heights are approximate due to possible field conditions. Rough floor-to-ceiling heights have been measured from the top of finished floor/structure to bottom of finished ceiling /structure, unless otherwise noted.

3. Residential Unit Designation and Information:

   Below is a list of the residential unit designations for each unit type and the unit sizes in gross square feet.

112-114 South Portland Avenue					
Unit Designation	**Apartment Type**	**Floor**	**Approximate. Unit Size In Gross Square Feet**		**Deck Area**
Unit 1A	1 Bedroom Duplex	1st Floor	542	903	
Unit 1A	Recreation Rm.	Cellar	361		
Unit 1B	Studio w/ Cellar Floor entrance	1st Floor	596		34
Unit 1C	Studio w/ Cellar Floor entrance	1st Floor	607		37

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Unit 1D	1 Bedroom Duplex	1st Floor	583	984	
Unit 1D	Recreation Rm.	Cellar	401		
Unit 2A	Studio	2nd Floor	423		
Unit 2B	1 Bedroom	2nd Floor	692		
Unit 2C	1 Bedroom	2nd Floor	745		
Unit 2D	Studio	2nd Floor	451		
Unit 3A	Studio	3rd Floor	423		
Unit 3B	1 Bedroom	3rd Floor	692		
Unit 3C	1 Bedroom	3rd Floor	745		
Unit 3D	Studio	3rd Floor	451		
Unit 4A	Studio	4th Floor	423		
Unit 4B	1 Bedroom	4th Floor	692		
Unit 4C	1 Bedroom	4th Floor	745		
Unit 4D	Studio	4th Floor	451		

108-110 South Portland Avenue

Unit Designation	Apartment Type	Floor	Approximate. Unit Size In Gross Square Feet		Deck Area
Unit 1A	1 Bedroom Duplex	1st Floor	546	916	
Unit 1A	Recreation Rm.	Cellar	370		
Unit 1B	Studio w/ Cellar Floor entrance	1st Floor	598		38
Unit 1C	Studio w/ Cellar Floor entrance	1st Floor	556		
Unit 1D	1 Bedroom Duplex	1st Floor	556	943	
Unit 1D	Recreation Rm.	Cellar	387		
Unit 2A	Studio	2nd Floor	423		
Unit 2B	1 Bedroom	2nd Floor	696		
Unit 2C	2 Bedroom	2nd Floor	1,034		
Unit 2D	1 Bedroom	2nd Floor	595		
Unit 3A	Studio	3rd Floor	423		
Unit 3B	1 Bedroom	3rd Floor	696		
Unit 3C	2 Bedroom	3rd Floor	1,034		
Unit 3D	1 Bedroom	3rd Floor	595		
Unit 4A	Studio	4th Floor	423		
Unit 4B	1 Bedroom	4th Floor	696		
Unit 4C	2 Bedroom	4th Floor	1,034		
Unit 4D	1 Bedroom	4th Floor	595		

104-106 South Portland Avenue

Unit Designation	Apartment Type	Floor	Approximate. Unit Size In Gross Square Feet	Deck Area
Unit 1A (Super's Apt)	1 Bedroom	1st Floor	583	

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Unit 2A	1 Bedroom	2nd Floor	734	
Unit 2B	1 Bedroom	2nd Floor	811	
Unit 3A	1 Bedroom	3rd Floor	734	
Unit 3B	1 Bedroom	3rd Floor	811	
Unit 4A	1 Bedroom	4th Floor	734	
Unit 4B	1 Bedroom	4th Floor	811	

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680 – 686 Fulton Street				
Unit Designation	**Apartment Type**	**Floor**	**Approximate. Unit Size In Gross Square Feet n**	**Deck Area**
Store #A	NA	Cellar Floor Storage)	171	
Store #A	NA	1st Floor	2287	
Store #B	NA	1st Floor	890	
Unit 2A	1 Bedroom	2nd Floor	864	
Unit 2B	1 Bedroom	2nd Floor	890	
Unit 3A	1 Bedroom	3rd Floor	864	
Unit 3B	1 Bedroom	3rd Floor	890	
Unit 4A	1 Bedroom	4th Floor	864	
Unit 4B	1 Bedroom	4th Floor	890	

FINISH SCHEDULE FOR TYPICAL RESIDENTIAL UNIT:

Space	Floor	Walls	Base	Ceiling	Remarks
Foyer/Hallway	WD	P	WD	P	Solid Oak Strip
Living/Dining Room	WD	P	WD	P	Solid Oak Strip
Bedrooms	WD	P	WD	P	Solid Oak Strip
Kitchen	Tile	P	WD	P	Stone Countertops for renovated apartments and laminate countertops for original kitchens
Bathrooms	Tile	Tile	Tile	P	
Master Bathrooms	Tile	Tile	Tile	P	
Closet/Linen Closet	WD	P	WD	P	Solid Oak Strip
Closets in hallways/foyers	WD	P	WD	P	Solid Oak Strip

BATHROOM FIXTURES (RESIDENTIAL UNIT BATHROOMS):

Fixture	Manufacturer	Model No./Finish	Remarks
Lavatory	Kraus	KCV-120 / White	Custom vanity below
Toilet	Kohler	K-3615-RA-0 / White	
Bath Tub	Kohler	K-1510-X-0 / White	
Tub Set	Grohe	Chrome	
Shower Set	Grohe	Chrome	

Lavatory Faucet	Grohe	20 173 / Chrome

Kitchen Appliances (Residential Unit Kitchens)

Appliance	Manufacturer	Model/Model No
Dishwasher	GE	GDT665SGNBB
Refrigerator/Freezer	GE	GTE18DTNRBB
Sink	Kohler	K-3183, stainless steel under-counter sink
Kitchen Faucet	Glacier Bay	HD67780-1001
Gas Range	GE	JGB635DEKBB
Range Hood	GE	JN327HBB
Microwave	GE	JVM6172SKSS

X. FINISH SCHEDULE OF SPACES OTHER THAN UNITS

Typical Floors

Space	Floor	Walls	Ceiling	Remarks
Mech./ Electrical / Telecom./ Storage Rooms / Bicycle Storage Rm / Service Corridors / Fire-Water Pump Rm /Meter Rm / Refuse Storage Disposal Rm /Bldg. Management (Cellar Floor) / Boiler Room	EP / CNT	P	P	PWB
Stairs 1, 2, 3	EP	P	P	
Trash Rooms (1ST – 6TH Floors)	T	P	P	-
Public Corridors (Cellar Floor)	T	P	P	-
Public Corridors (1ST – 6TH floors Floors)	CPT / ST	P	P	PWB
Residential Lobby & Mail Alcove	ST	PWP / P	P	SB
Residential Vestibules	ST / FM	P	P	SB
Residential Elevator Cab	ST	MIRR / PWP	SS	
Cellar Laundry Rm, Cellar Bathroom	T	P	P	

Y. NO ASBESTOS

1. As per Labor Law Section 900 (effective July 16, 1989) no asbestos-containing materials are to be installed in any construction in New York City.

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Z. ABBREVIATIONS FOR FINISHES

AT	Acoustical Tile	P	Paint
CT	Ceramic Tile	RM	Recessed Floor Mat
CPT	Carpet	T	Tile
CNT	Concrete Topping	VWC	Vinyl Wall Covering
EP	Epoxy Paint	PWB	Painted Wall Base
FM	Floor Mat	SS	Stainless Steel
PWP	Painted Wood Panel	ST	Stone Tile
MIRR	Mirror	SB	Stone Base
WD	Wood		

AA. SAFETY AND WARNING DEVICES

1. Residential Smoke Detection System

   i.) Each residential unit is provided with hard-wired local combination smoke and carbon monoxide detecting devices as per the NYC Building Code and Local Laws (No. 7) of the City of New York. The detector is wired to a 120-volt local power supply and is self-contained with local batteries and its own sounding devices.

   ii.) See Section J (2) for Fire Protection System.

BB. ADDITIONAL INFORMATION REQUIRED

1. Site Plan: Refer to Exhibit A.
2. Floor plan for each Line or Type of Unit: Refer to Unit Plans / Exhibit B.
3. Floor-to-ceiling heights of Units: Refer to Section G: Building Size.
4. For approximate total gross area (in square feet) of each unit refer to Unit Plans / Exhibit B and Schedule A. Each unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of all interior walls and partitions separating one Unit from another Unit, corridors, stairs, elevators, and other mechanical equipment space or any Common Elements. Each terrace consists of the area measured horizontally from the exterior side of the exterior walls to the interior side of the terrace parapet walls.

CC. TENANT PROTECTION PLAN

There is no construction being performed at the existing building and hence there is no Tenant Protection Plan (TPP) required and is not 'applicable'.

Section 23.7
DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
104-114 South Portland Avenue and 680-686 Fulton Street, Brooklyn, New York 11217

UTILITY CONSUMPTION LETTER PREPARED BY DAGHER ENGINEERING, PLLC

The estimates below are based on the following data and sources: lighting would be on three (3) hours per day, while plugs would charge devices four (4) hours per day, and the kitchen hood would be used thirty (30) minutes per day. The appliances' energy consumption is determined by Energy Star's baseline building data. Electricity's current bare cost of $0.2167/kWh, coupled with an estimated 10% increase and 16% taxes, yields $0.2765092/kWh rounded up to $0.3/kWh. Finally, window ACs are determined to be rated with an EER of 10, with compressors energized for a total of 600 hours during the cooling season with a rate of 1 ton (12,000 btu/hr) per 600 sqft.

112 1A	903	sqft		**112 1D**	984	sqft
Lighting	451.5	W (0.5 W/sqft)		Lighting	492	W (0.5 W/sqft)
	40.635	kWh/month	3h/day		44.28	kWh/month
	487.62	**kWh/year**			**531.36**	**kWh/year**
Miscellaneous	451.5	W (0.5 W/sqft)		Miscellaneous	492	W (0.5 W/sqft)
plug loads	54.18	kWh/month	4h/day	plug loads	59.04	kWh/month
	650.16	**kWh/year**			**708.48**	**kWh/year**
Refrigerator	**529**	**kWh/year**		Refrigerator	**529**	**kWh/year**
	44.1	kWh/month			44.1	kWh/month
Dishwasher	**206**	**kWh/year**		Dishwasher	**206**	**kWh/year**
	17.2	kWh/month			17.2	kWh/month
Hood	1	kW		Hood	1	kW
	15	kWh/month	0.5h/day		15	kWh/month
	180	**kWh/year**			**180**	**kWh/year**
Total	171.1	kWh/month		Total	179.6	kWh/month
without AC	51.32	$/month		without AC	53.87	$/month
	2052.8	**kWh/year**			**2154.8**	**kWh/year**
	615.83	**$/year**			**646.45**	**$/year**
Window AC	81.27	$/cooling month		Window AC	88.56	$/cooling month
	325.08	**$/year**			**354.24**	**$/year**
Total	132.59	$/cooling month		Total	142.43	$/cooling month
with AC	**940.91**	**$/year**		with AC	**1000.69**	**$/year**

Section 23.7
DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
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112 1C	607	sqft	**112 1B**	596	sqft
Lighting	303.5	W (0.5 W/sqft)	Lighting	298	W (0.5 W/sqft)
	27.315	kWh/month		26.82	kWh/month
	327.78	**kWh/year**		**321.84**	**kWh/year**
Miscellaneous plug loads	303.5	W (0.5 W/sqft)	Miscellaneous plug loads	298	W (0.5 W/sqft)
	36.42	kWh/month		35.76	kWh/month
	437.04	**kWh/year**		**429.12**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total without AC	140.0	kWh/month	Total without AC	138.8	kWh/month
	42.00	$/month		41.65	$/month
	1679.8	**kWh/year**		**1666.0**	**kWh/year**
	503.95	**$/year**		**499.79**	**$/year**
Window AC	54.63	$/cooling month	Window AC	53.64	$/cooling month
	218.52	**$/year**		**214.56**	**$/year**
Total with AC	96.63	$/cooling month	Total with AC	95.29	$/cooling month
	722.47	**$/year**		**714.35**	**$/year**

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112 2A-4A	423	sqft	**112 2D-4D**	451	sqft
Lighting	0	W (0.5 W/sqft)	Lighting	225.5	W (0.5 W/sqft)
	0	kWh/month		20.295	kWh/month
	0	**kWh/year**		**243.54**	**kWh/year**
Miscellaneous plug loads	0	W (0.5 W/sqft)	Miscellaneous plug loads	225.5	W (0.5 W/sqft)
	0	kWh/month		27.06	kWh/month
	0	**kWh/year**		**324.72**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total without AC	76.3	kWh/month	Total without AC	123.6	kWh/month
	22.88	$/month		37.08	$/month
	915.0	**kWh/year**		**1483.3**	**kWh/year**
	274.50	**$/year**		**444.98**	**$/year**
Window AC	0	$/cooling month	Window AC	40.59	$/cooling month
	0	**$/year**		**162.36**	**$/year**
Total with AC	22.88	$/cooling month	Total with AC	77.67	$/cooling month
	274.50	**$/year**		**607.34**	**$/year**

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DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
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112 2C-4C	745	sqft	**112 2B-4B**	692	sqft
Lighting	372.5	W (0.5 W/sqft)	Lighting	346	W (0.5 W/sqft)
	33.525	kWh/month		31.14	kWh/month
	402.3	**kWh/year**		**373.68**	**kWh/year**
Miscellaneous	372.5	W (0.5 W/sqft)	Miscellaneous	346	W (0.5 W/sqft)
plug loads	44.7	kWh/month	plug loads	41.52	kWh/month
	536.4	**kWh/year**		**498.24**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total	154.5	kWh/month	Total	148.9	kWh/month
without AC	46.34	$/month	without AC	44.67	$/month
	1853.7	**kWh/year**		**1786.9**	**kWh/year**
	556.11	**$/year**		**536.08**	**$/year**
Window AC	67.05	$/cooling month	Window AC	62.28	$/cooling month
	268.2	**$/year**		**249.12**	**$/year**
Total	113.39	$/cooling month	Total	106.95	$/cooling month
with AC	**824.31**	**$/year**	with AC	**785.20**	**$/year**

Section 23.7
DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
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108 1A	916	sqft		**108 1D**	943	sqft
Lighting	458	W (0.5 W/sqft)		Lighting	471.5	W (0.5 W/sqft)
	41.22	kWh/month	3h/day		42.435	kWh/month
	494.64	**kWh/year**			**509.22**	**kWh/year**
Miscellaneous	458	W (0.5 W/sqft)		Miscellaneous	471.5	W (0.5 W/sqft)
plug loads	54.96	kWh/month	4h/day	plug loads	56.58	kWh/month
	659.52	**kWh/year**			**678.96**	**kWh/year**
Refrigerator	**529**	**kWh/year**		Refrigerator	**529**	**kWh/year**
	44.1	kWh/month			44.1	kWh/month
Dishwasher	**206**	**kWh/year**		Dishwasher	**206**	**kWh/year**
	17.2	kWh/month			17.2	kWh/month
Hood	1	kW		Hood	1	kW
	15	kWh/month	0.5h/day		15	kWh/month
	180	**kWh/year**			**180**	**kWh/year**
Total	172.4	kWh/month		Total	175.3	kWh/month
without AC	51.73	$/month		without AC	52.58	$/month
	2069.2	**kWh/year**			**2103.2**	**kWh/year**
	620.75	**$/year**			**630.95**	**$/year**
Window AC	82.44	$/cooling month		Window AC	84.87	$/cooling month
	329.76	**$/year**			**339.48**	**$/year**
Total	134.17	$/cooling month		Total	137.45	$/cooling month
with AC	**950.51**	**$/year**		with AC	**970.43**	**$/year**

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DESCRIPTION OF PROPERTY AND BUILDING CONDITION:
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108 1C	556	sqft	**108 1B**	598	sqft
Lighting	278	W (0.5 W/sqft)	Lighting	299	W (0.5 W/sqft)
	25.02	kWh/month		26.91	kWh/month
	300.24	**kWh/year**		**322.92**	**kWh/year**
Miscellaneous plug loads	278	W (0.5 W/sqft)	Miscellaneous plug loads	299	W (0.5 W/sqft)
	33.36	kWh/month		35.88	kWh/month
	400.32	**kWh/year**		**430.56**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total without AC	134.6	kWh/month	Total without AC	139.0	kWh/month
	40.39	$/month		41.71	$/month
	1615.6	**kWh/year**		**1668.5**	**kWh/year**
	484.67	**$/year**		**500.54**	**$/year**
Window AC	50.04	$/cooling month	Window AC	53.82	$/cooling month
	200.16	**$/year**		**215.28**	**$/year**
Total with AC	90.43	$/cooling month	Total with AC	95.53	$/cooling month
	684.83	**$/year**		**715.82**	**$/year**

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108 2A-4A	423	sqft
Lighting	211.5	W (0.5 W/sqft)
	19.035	kWh/month
	228.42	**kWh/year**
Miscellaneous plug loads	211.5	W (0.5 W/sqft)
	25.38	kWh/month
	304.56	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	120.7	kWh/month
	36.20	$/month
	1448.0	**kWh/year**
	434.39	**$/year**
Window AC	38.07	$/cooling month
	152.28	**$/year**
Total with AC	74.27	$/cooling month
	586.67	**$/year**

108 2D-4D	595	sqft
Lighting	297.5	W (0.5 W/sqft)
	26.775	kWh/month
	321.3	**kWh/year**
Miscellaneous plug loads	297.5	W (0.5 W/sqft)
	35.7	kWh/month
	428.4	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total without AC	138.7	kWh/month
	41.62	$/month
	1664.7	**kWh/year**
	499.41	**$/year**
Window AC	53.55	$/cooling month
	214.2	**$/year**
Total with AC	95.17	$/cooling month
	713.61	**$/year**

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108 2C-4C	1034	sqft	**108 2B-4B**	696	sqft
Lighting	517	W (0.5 W/sqft)	Lighting	348	W (0.5 W/sqft)
	46.53	kWh/month		31.32	kWh/month
	558.36	**kWh/year**		**375.84**	**kWh/year**
Miscellaneous	517	W (0.5 W/sqft)	Miscellaneous	348	W (0.5 W/sqft)
plug loads	62.04	kWh/month	plug loads	41.76	kWh/month
	744.48	**kWh/year**		**501.12**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total	184.8	kWh/month	Total	149.3	kWh/month
without AC	55.45	$/month	without AC	44.80	$/month
	2217.8	**kWh/year**		**1792.0**	**kWh/year**
	665.35	**$/year**		**537.59**	**$/year**
Window AC	93.06	$/cooling month	Window AC	62.64	$/cooling month
	372.24	**$/year**		**250.56**	**$/year**
Total	148.51	$/cooling month	Total	107.44	$/cooling month
with AC	**1037.59**	**$/year**	with AC	**788.15**	**$/year**

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104 1A	583	sqft		**104 2A-4A**	734	sqft
Lighting	291.5	W (0.5 W/sqft)		Lighting	367	W (0.5 W/sqft)
	26.235	kWh/month	3h/day		33.03	kWh/month
	314.82	**kWh/year**			**396.36**	**kWh/year**
Miscellaneous	291.5	W (0.5 W/sqft)		Miscellaneous	367	W (0.5 W/sqft)
plug loads	34.98	kWh/month	4h/day	plug loads	44.04	kWh/month
	419.76	**kWh/year**			**528.48**	**kWh/year**
Refrigerator	**529**	**kWh/year**		Refrigerator	**529**	**kWh/year**
	44.1	kWh/month			44.1	kWh/month
Dishwasher	**206**	**kWh/year**		Dishwasher	**206**	**kWh/year**
	17.2	kWh/month			17.2	kWh/month
Hood	1	kW		Hood	1	kW
	15	kWh/month	0.5h/day		15	kWh/month
	180	**kWh/year**			**180**	**kWh/year**
Total	137.5	kWh/month		Total	153.3	kWh/month
without AC	41.24	$/month		without AC	46.00	$/month
	1649.6	**kWh/year**			**1839.8**	**kWh/year**
	494.87	**$/year**			**551.95**	**$/year**
Window AC	52.47	$/cooling month		Window AC	66.06	$/cooling month
	209.88	**$/year**			**264.24**	**$/year**
Total	93.71	$/cooling month		Total	112.06	$/cooling month
with AC	**704.75**	**$/year**		with AC	**816.19**	**$/year**

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104 2B-4B	811	sqft	**680 2A-4A**	864	sqft
Lighting	419	W (0.5 W/sqft)	Lighting	432	W (0.5 W/sqft)
	37.71	kWh/month		38.88	kWh/month
	452.52	**kWh/year**		**466.56**	**kWh/year**
Miscellaneous plug loads	419	W (0.5 W/sqft)	Miscellaneous plug loads	432	W (0.5 W/sqft)
	50.28	kWh/month		51.84	kWh/month
	603.36	**kWh/year**		**622.08**	**kWh/year**
Refrigerator	**529**	**kWh/year**	Refrigerator	**529**	**kWh/year**
	44.1	kWh/month		44.1	kWh/month
Dishwasher	**206**	**kWh/year**	Dishwasher	**206**	**kWh/year**
	17.2	kWh/month		17.2	kWh/month
Hood	1	kW	Hood	1	kW
	15	kWh/month		15	kWh/month
	180	**kWh/year**		**180**	**kWh/year**
Total without AC	164.2	kWh/month	Total without AC	167.0	kWh/month
	49.27	$/month		50.09	$/month
	1970.9	**kWh/year**		**2003.6**	**kWh/year**
	591.26	**$/year**		**601.09**	**$/year**
Window AC	75.42	$/cooling month	Window AC	77.76	$/cooling month
	301.68	**$/year**		**311.04**	**$/year**
Total with AC	124.69	$/cooling month	Total with AC	127.85	$/cooling month
	892.94	**$/year**		**912.13**	**$/year**

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680 2B-4B	913	sqft
Lighting	456.5	W (0.5 W/sqft)
	41.085	kWh/month
	493.02	**kWh/year**
Miscellaneous	456.5	W (0.5 W/sqft)
plug loads	54.78	kWh/month
	657.36	**kWh/year**
Refrigerator	**529**	**kWh/year**
	44.1	kWh/month
Dishwasher	**206**	**kWh/year**
	17.2	kWh/month
Hood	1	kW
	15	kWh/month
	180	**kWh/year**
Total	172.1	kWh/month
without AC	51.63	$/month
	2065.4	**kWh/year**
	619.61	**$/year**
Window AC	82.17	$/cooling month
	328.68	**$/year**
Total	133.80	$/cooling month
with AC	**948.29**	**$/year**

Based on historical building gas, water and electricity bills, the expected yearly costs break down as follows, with a total of $67,645.89. These are common charges to the Condominium Owners.

Gas		**Water**		**Electricity**	
Domestic Hot Water	$6,524.02	Consumption	$9,108.87	**Total**	**$10,860.18**
Heating	$23,601.73	Wastewater	$14,477.42		
Laundry	$991.99	**Total**	**$23,586.29**		
Residential Gas	$2,081.68				
Grand Total – Common Charges:	**$33,199.42**				

EXHIBIT "7"

ASBESTOS REPORT

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS ASSESSMENT REPORT

RECEIVED
2/23/2024
DEP ASBESTOS CONTROL PROGRAM
FEE PAID

Control Number: 31156667

1. NYC DOB Job # (if applicable) _____

2. Premise No. 104-114 Street Name S. PORTLAND AVE Borough Brooklyn Zip 11217

3. AKA 680-686 Fulton Street Type of Facility Residence BIN 3059278 Block 02114 Lot 0023

4. Building Owner Fulton Street Associates, LLC Address 104-114 S. Portland Ave

5. City Brooklyn State NY Zip 11217 Contact Person Hesky Brahimy

6. Tel. # (212) 747-0227 Fax # _____ Email _____

7. Work Type General Construction

Description of the Entire Scope of Work
Minor interior renovations through the building

8. I, MAXIM MELNIKOV (*Name of Certified Asbestos Investigator*), have conducted an asbestos investigation on 02/15/2024 10:00AM-11:30AM (*Date(s)*) in accordance with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

[X] a. the premises or the portion(s) of the premises, included in the scope of renovations was/were determined that there was no asbestos-containing materials (ACM) present

[ ] b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM. Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.

[ ] c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: _____ sq. ft _____ linear ft.

[ ] d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

Floor	Section of Floor(s) Surveyed	Material Assumed to Contain ACM and/or Sampled	Number of Samples Analyzed	Asbestos Present	Assumed ACM	Square Feet	Linear Feet	Abated	Scope of Work Applied
Cellar	work area	wall sheetrock	3	No	No				
Cellar	work area	wall mortar	3	No	No				

[X] **I hereby declare the information provided herein is true and complete. I verify under penalty of perjury under the laws of the United States of America that I was physically present at the premises while conducting the inspection.**

MAXIM MELNIKOV	2/23/2024	160781	11/21/2025
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (929) 310-7781 Fax # _____

Email maxim.melnikov88@gmail.com

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

CITY OF NEW YORK
MAXIM MELNIKOV
160781
CERTIFIED ASBESTOS INVESTIGATOR

Is it a Build-It-Back project? [ ] Yes, App ID # _____ [X] No

251211879

2/23/2024 2:22:54 PM

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NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT

RECEIVED
2/23/2024
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

Cellar	work area	ceiling sheetrock	3	No	No				
Cellar	work area	fiberglass insulation	3	No	No				
Cellar	work area	pipe insulation	3	No	No				
Building Floors-1 to 4	work area	wall sheetrock	9	No	No				
Building Floors-1 to 4	work area	ceiling sheetrock	9	No	No				

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
Asbestos analytical Lab	11938	2/17/2024

11. NYS DOL Asbestos Handling license # 43312 Company Name VAK Environmental Inc.

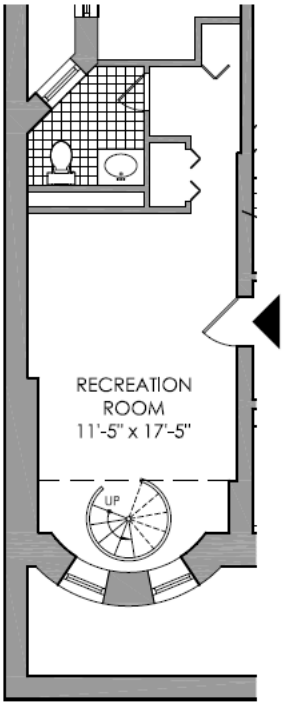
12.Comment

EXHIBIT "8"

FLOOR PLANS

OF

UNITS



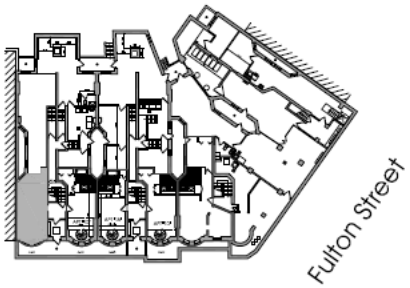
UNIT 1A

CELLAR FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 361 SF + 542 SF = 903 SF

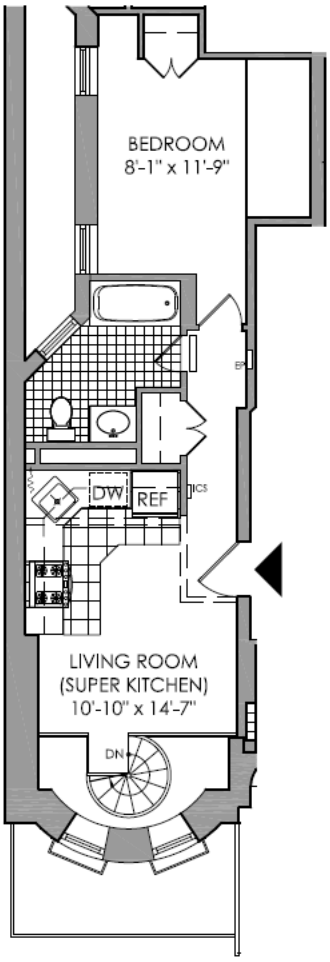
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

112-114 S. Portland Avenue



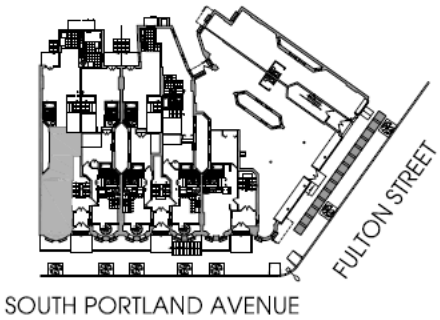
UNIT 1A

1ST FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 542 SF + 361 SF = 903 SF

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

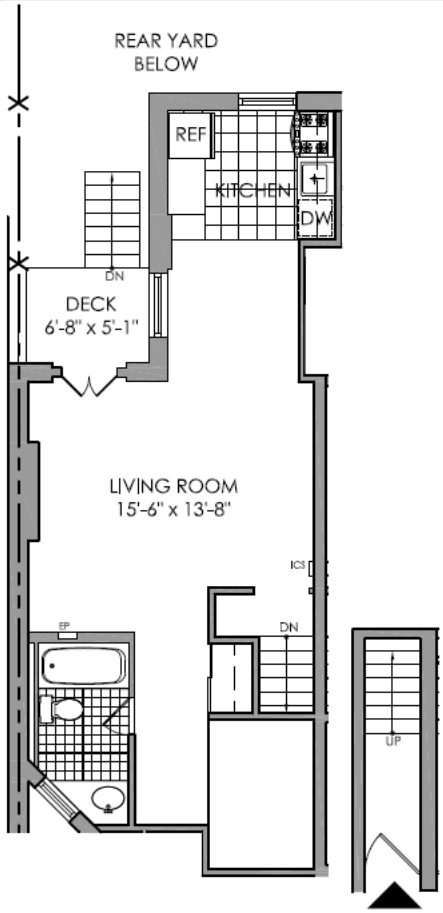
See Schedule A to the plan for method of measurement.



KEY PLAN

N

112-114 S. Portland Avenue



UNIT 1B

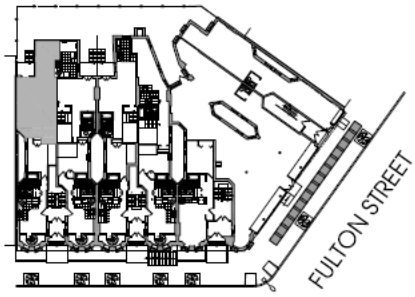
1ST FLOOR
STUDIO APARTMENT
1 BATHROOM

AREA: 596 SF
DECK AREA: 34 SF

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

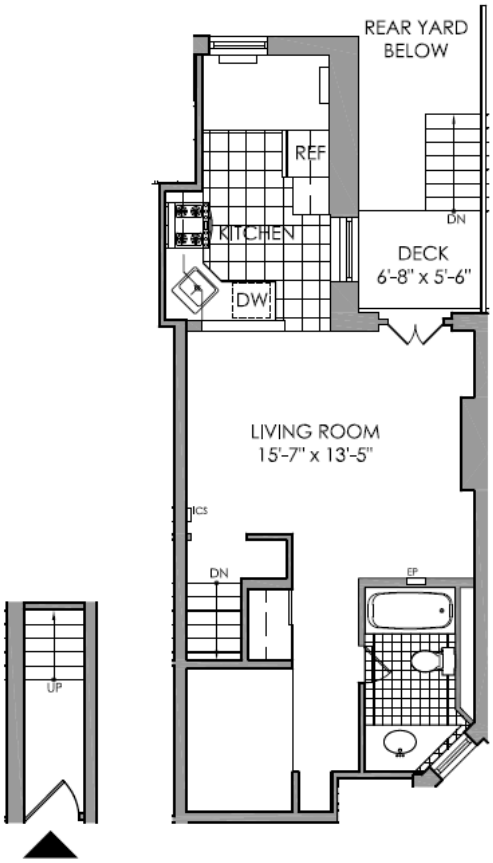
See Schedule A to the plan for method of measurement.



SOUTH PORTLAND AVENUE

KEY PLAN

112-114 S. Portland Avenue



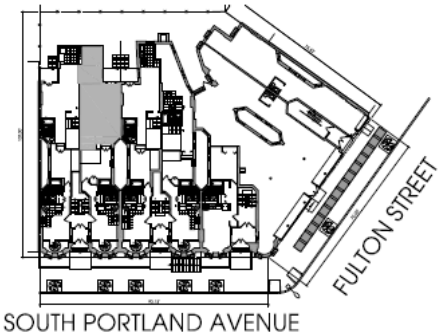
UNIT 1C

1ST FLOOR
STUDIO APARTMENT
1 BATHROOM

AREA: 607 SF
DECK AREA: 37 SF

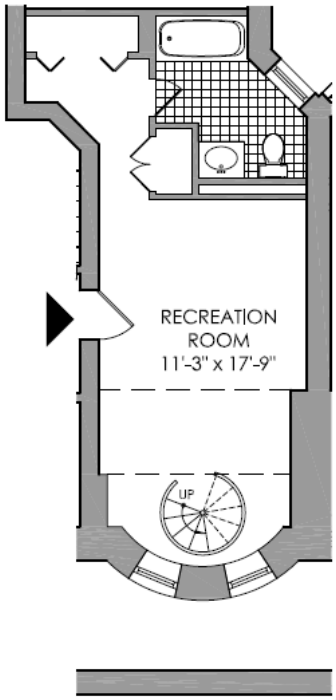
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

112-114 S. Portland Avenue



UNIT 1D

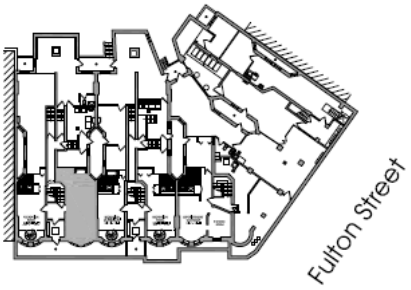
CELLAR FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 401 SF + 583 SF = 984 SF

SCALE IN FEET

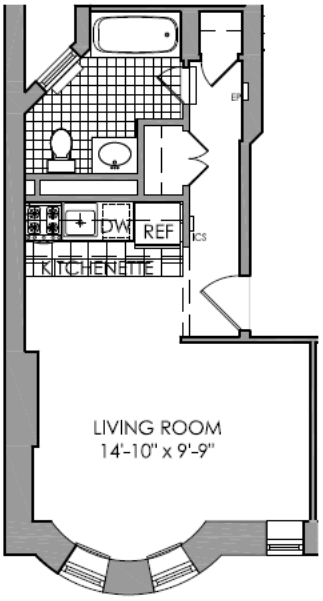
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overal subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

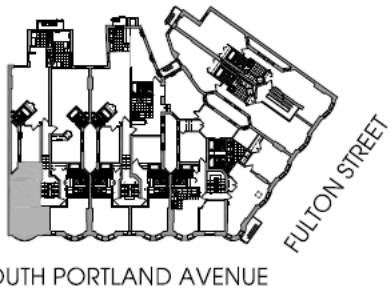
112-114 S. Portland Avenue



UNIT 2A - 4A

2ND THRU 4TH FLOOR
STUDIO APARTMENT
1 BATHROOM

AREA: 423 SF



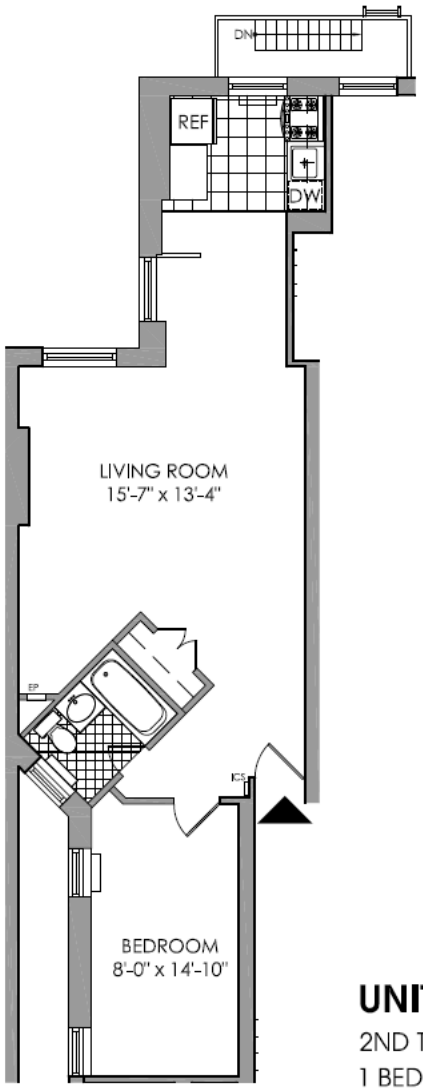
KEY PLAN

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

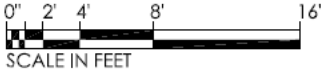
See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue



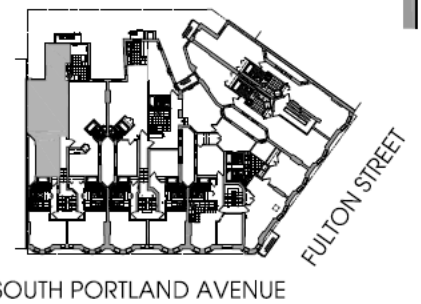
UNIT 2B - 4B

2ND THRU 4TH FLOOR
1 BEDROOM APARTMENT
1 BATHROOM
AREA: 692 SF



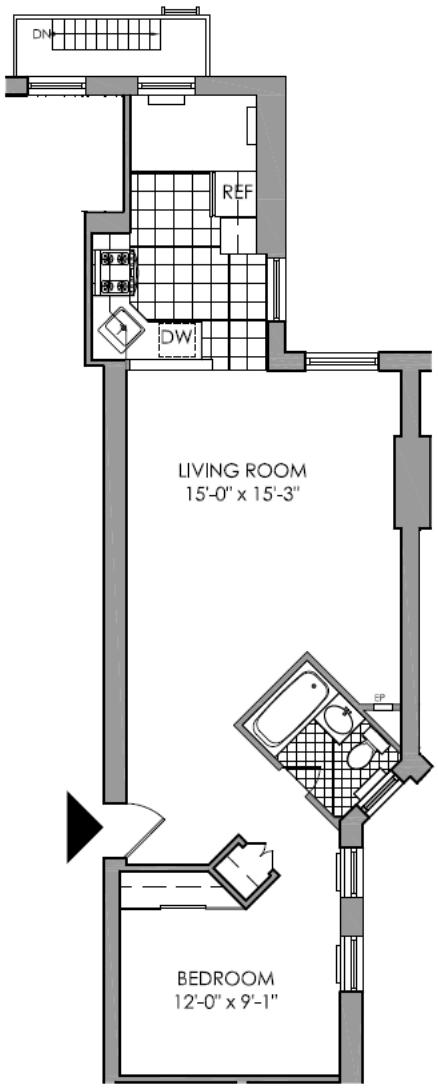
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

112-114 S. Portland Avenue



UNIT 2C - 4C

2ND THRU 4TH FLOOR

1 BEDROOM APARTMENT

1 BATHROOM

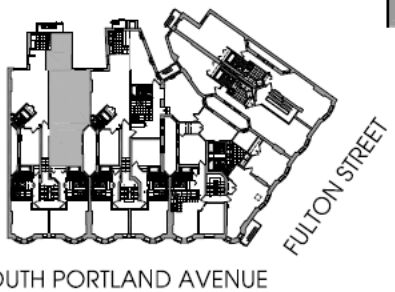
AREA: 745 SF

0' 2' 4' 8' 16'

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

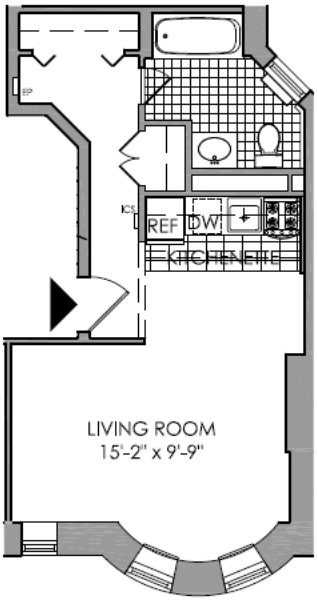
See Schedule A to the plan for method of measurement.



KEY PLAN

N

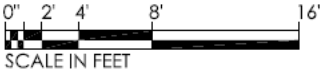
112-114 S. Portland Avenue



UNIT 2D - 4D

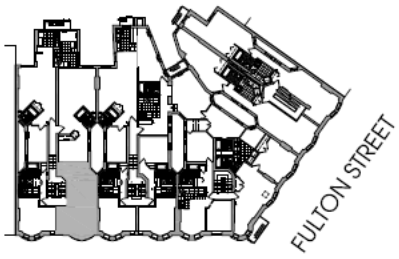
2ND THRU 4TH FLOOR
STUDIO APARTMENT
1 BATHROOM

AREA: 451 SF



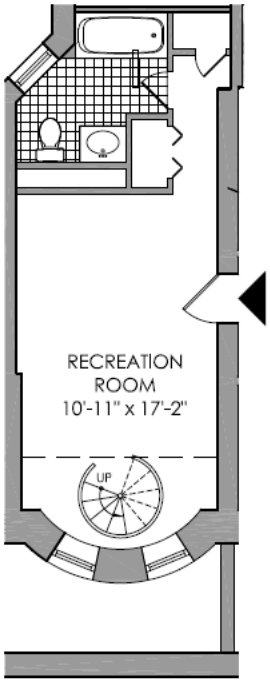
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

112-114 S. Portland Avenue



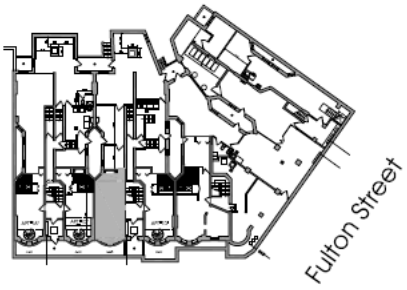
UNIT 1A

CELLAR FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 370 SF + 546 SF = 916 SF

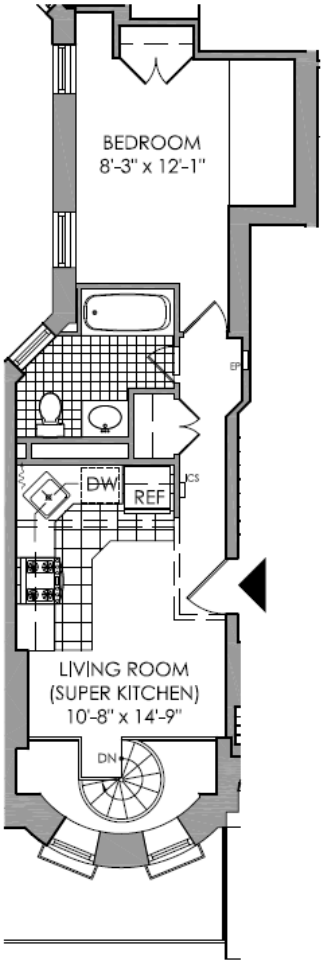
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

108-110 S. Portland Avenue



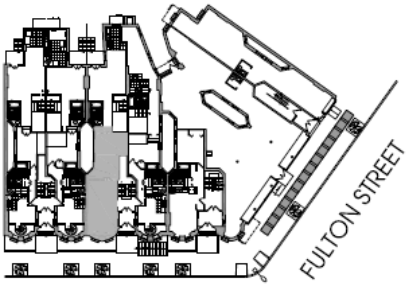
UNIT 1A

1ST FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 546 SF + 370 SF = 916 SF

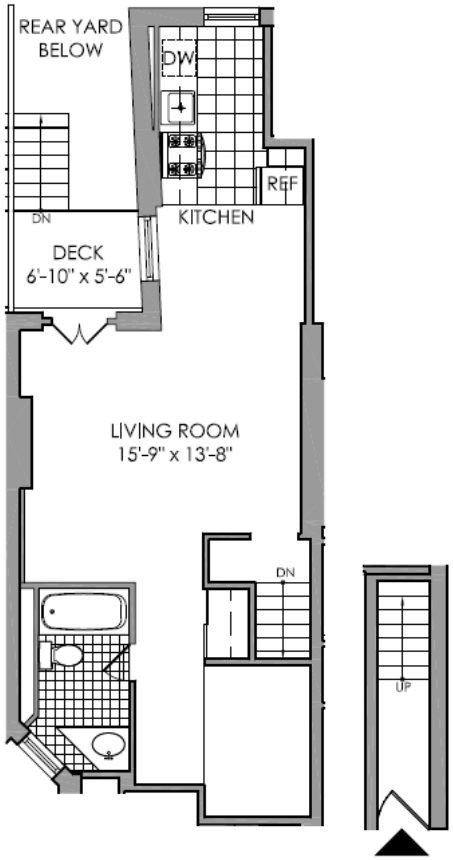
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

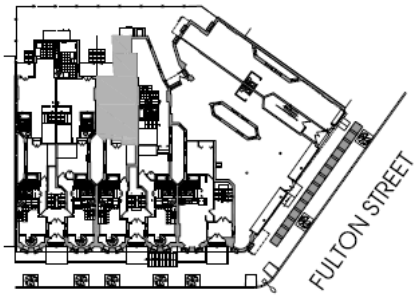
108-110 S. Portland Avenue



UNIT 1B

1ST FLOOR
STUDIO APARTMENT
1 BATHROOM

AREA: 598 SF
DECK AREA: 38 SF



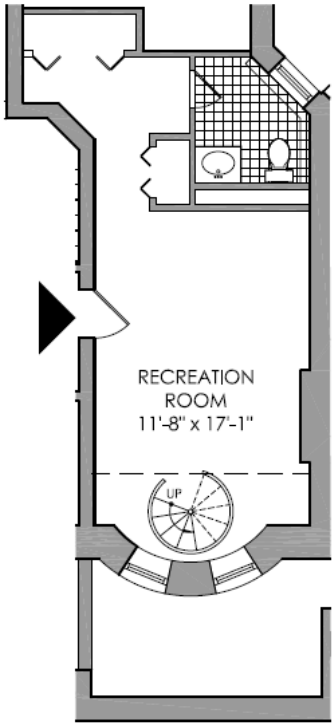
KEY PLAN

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

108-110 S. Portland Avenue



UNIT 1D

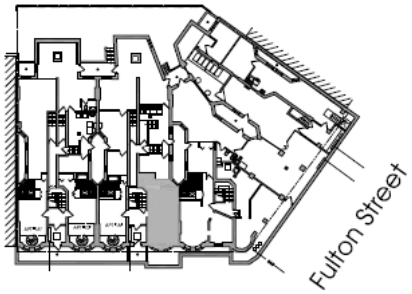
CELLAR FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 387 SF + 556 SF = 943 SF

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

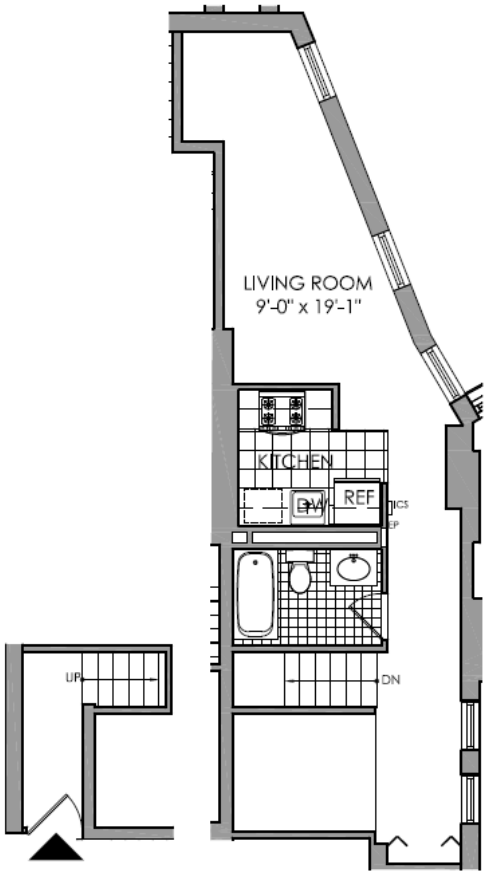


SOUTH Portland Avenue

KEY PLAN

N

108-110 S. Portland Avenue

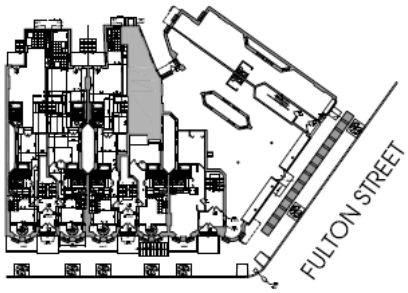


UNIT 1C

1ST FLOOR
STUDIO APARTMENT
1 BATHROOM
AREA: 556 SF

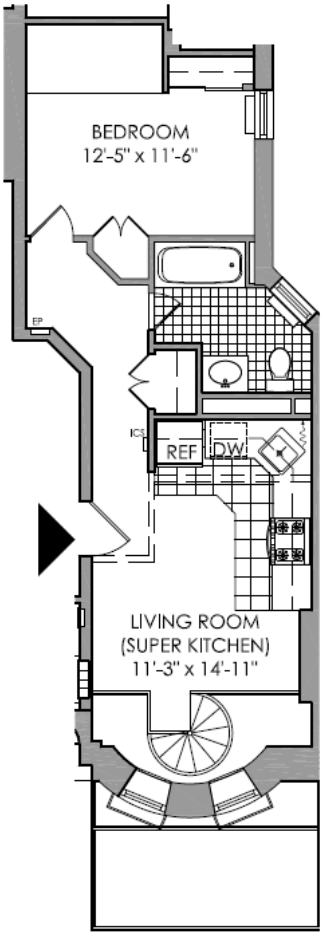
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

108-110 S. Portland Avenue



UNIT 1D

1ST FLOOR
1 BEDROOM APARTMENT W/
CELLAR RECREATION ROOM
1.5 BATHROOM

AREA: 556 SF + 387 SF = 943 SF

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

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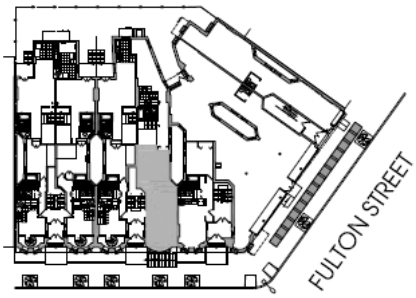
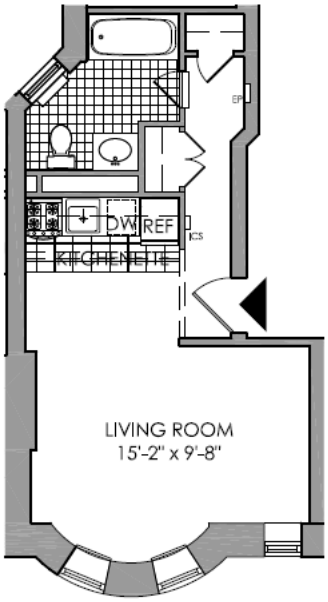


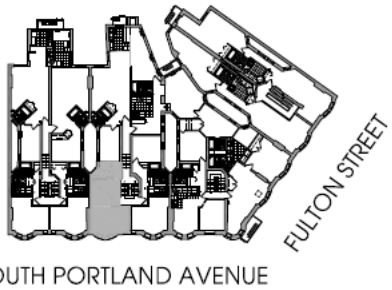
KEY PLAN

108-110 S. Portland Avenue



UNIT 2A - 4A

2ND THRU 4TH FLOOR
STUDIO APARTMENT
1 BATHROOM
AREA: 423 SF



KEY PLAN

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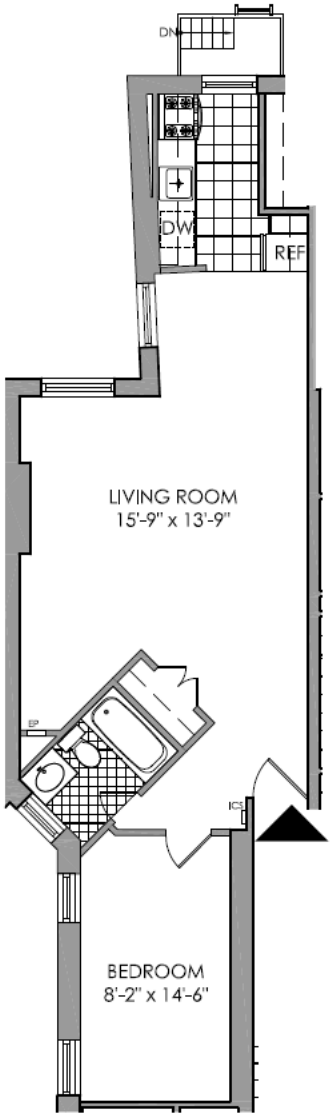
See Schedule A to the plan for method of measurement.

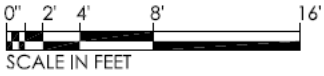
108-110 S. Portland Avenue



UNIT 2B - 4B

2ND THRU 4TH FLOOR
1 BEDROOM APARTMENT
1 BATHROOM

AREA: 696 SF



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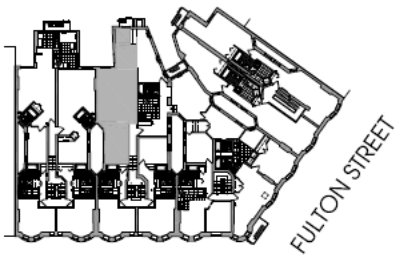
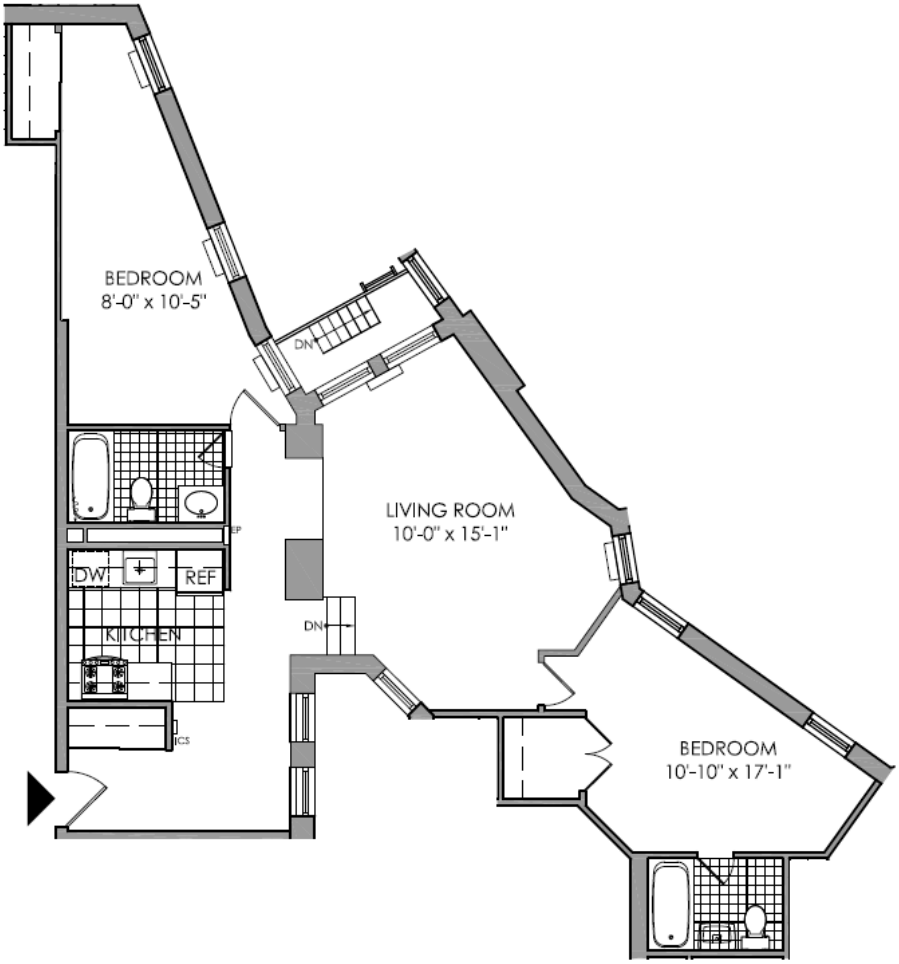


KEY PLAN

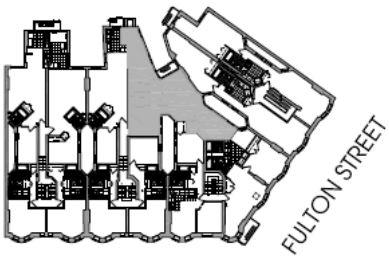
108-110 S. Portland Avenue



UNIT 2C - 4C

2ND THRU 4TH FLOOR
2 BEDROOM APARTMENT
2 BATHROOM

AREA: 1,034 SF



KEY PLAN

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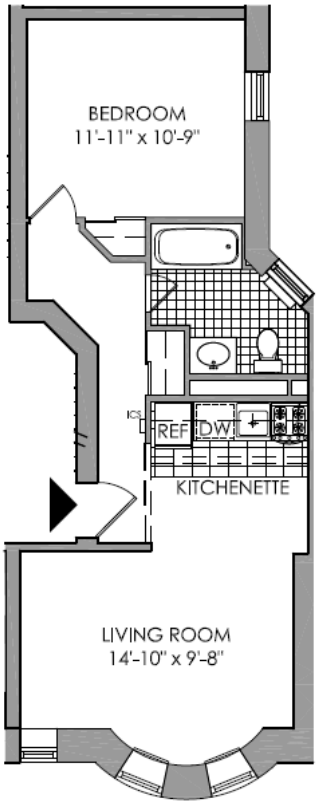
See Schedule A to the plan for method of measurement.

108-110 S. Portland Avenue



UNIT 2D - 4D

2ND THRU 4TH FLOOR

1 BEDROOM APARTMENT

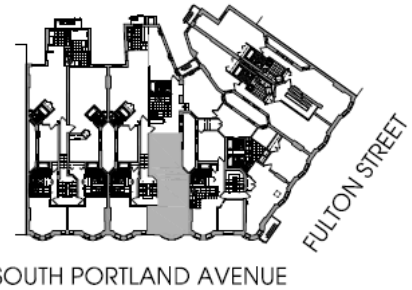
1 BATHROOM

AREA: 595 SF

SCALE IN FEET

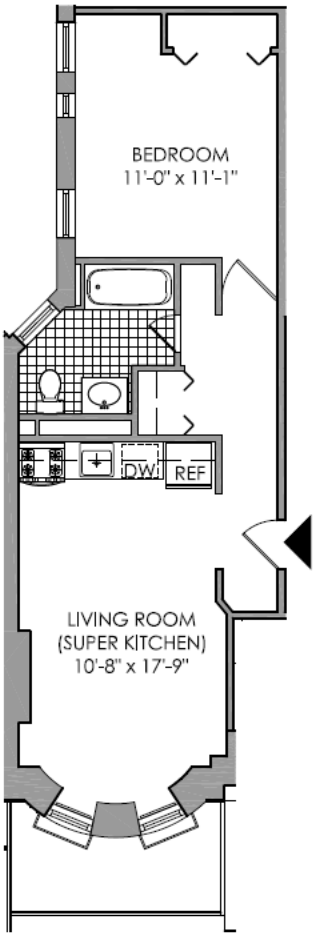
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

108-110 S. Portland Avenue



UNIT 1A
(SUPER'S APT)

1ST FLOOR

1 BEDROOM APARTMENT

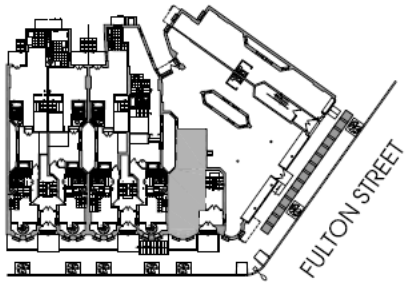
1 BATHROOM

AREA: 583 SF

SCALE IN FEET

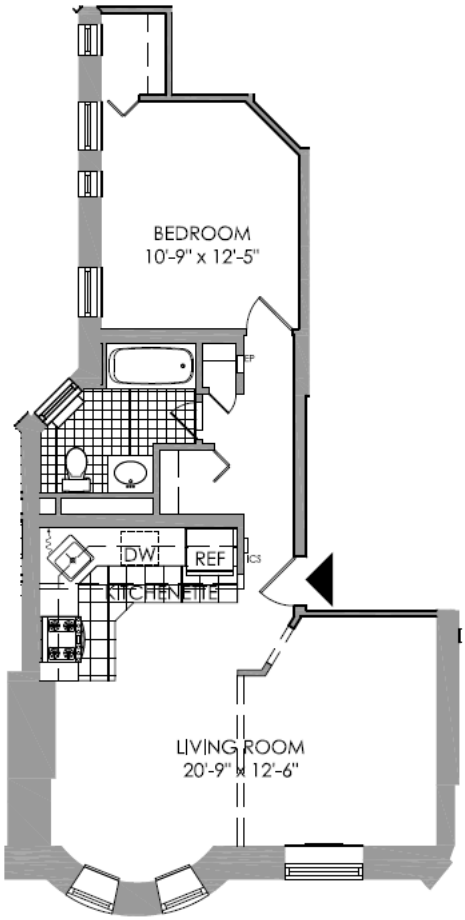
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



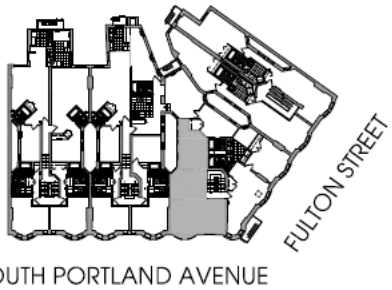
KEY PLAN

104-106 S. Portland Avenue



UNIT 2A - 4A

2ND THRU 4TH FLOOR
1 BEDROOM APARTMENT
1 BATHROOM
AREA: 734 SF

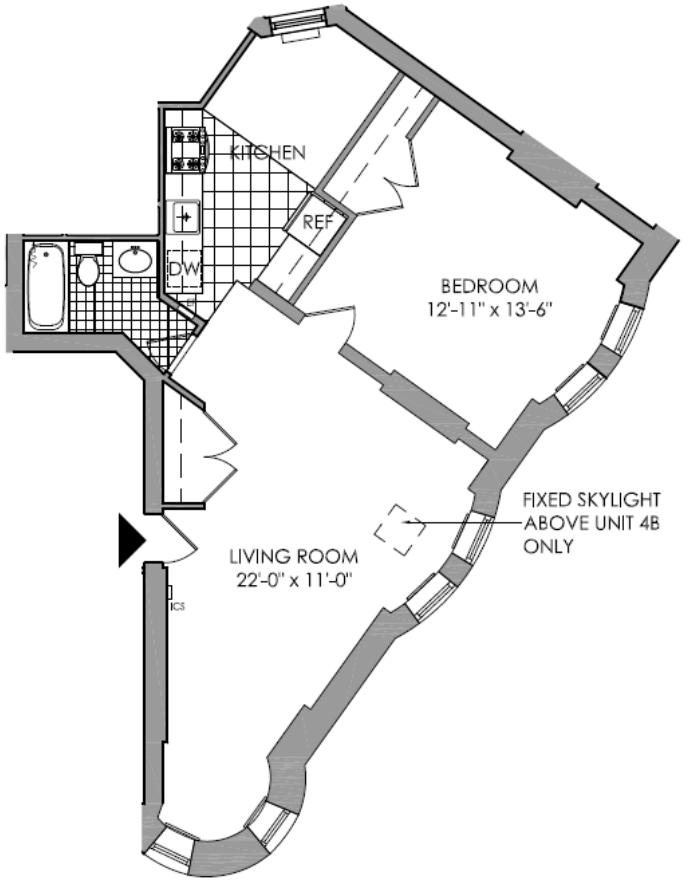


KEY PLAN

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

104-106 S. Portland Avenue



UNIT 2B - 4B

2ND THRU 4TH FLOOR

1 BEDROOM APARTMENT

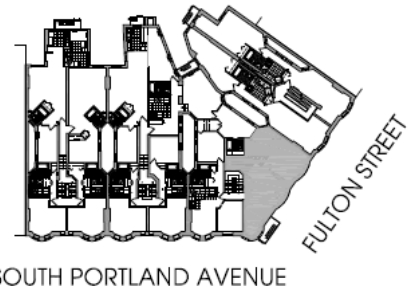
1 BATHROOM

AREA: 811 SF

SCALE IN FEET

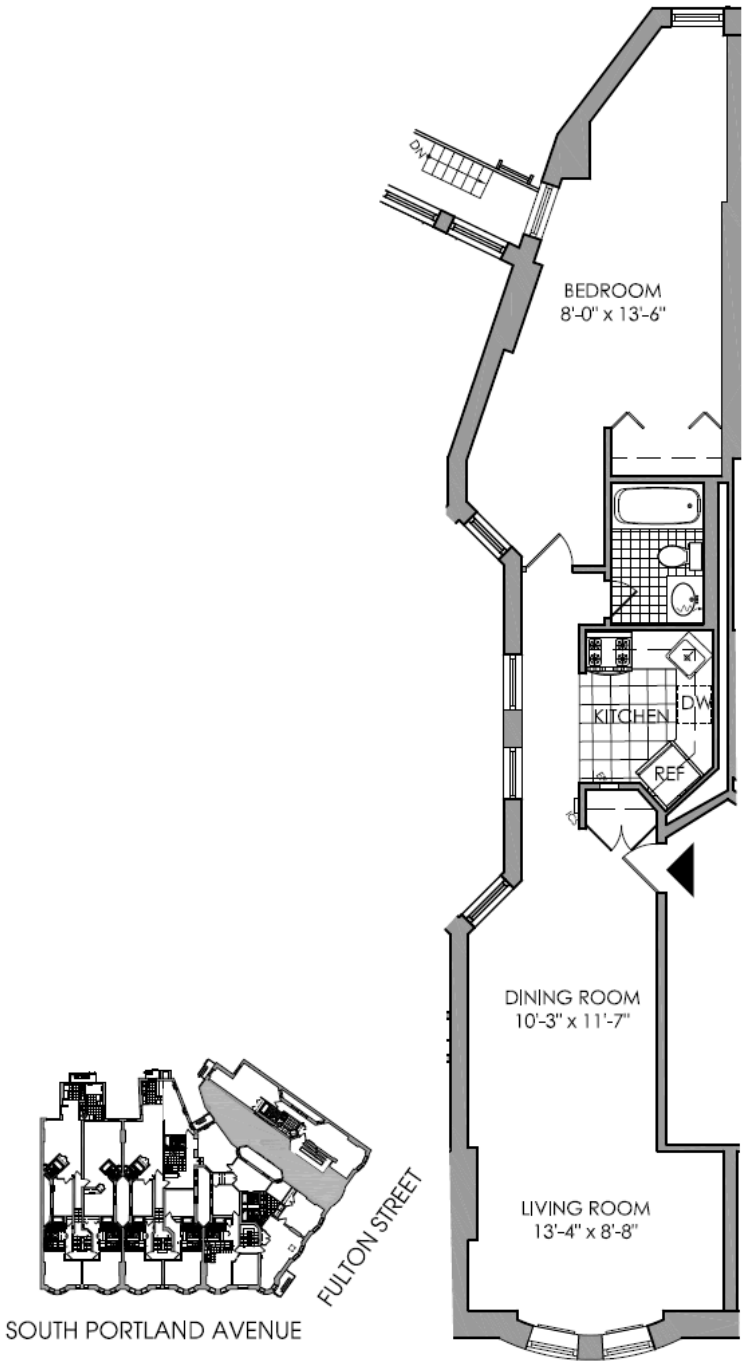
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN

104-106 S. Portland Avenue



KEY PLAN

N

UNIT 2A - 4A

2ND THRU 4TH FLOOR

1 BEDROOM APARTMENT

1 BATHROOM

AREA: 864 SF

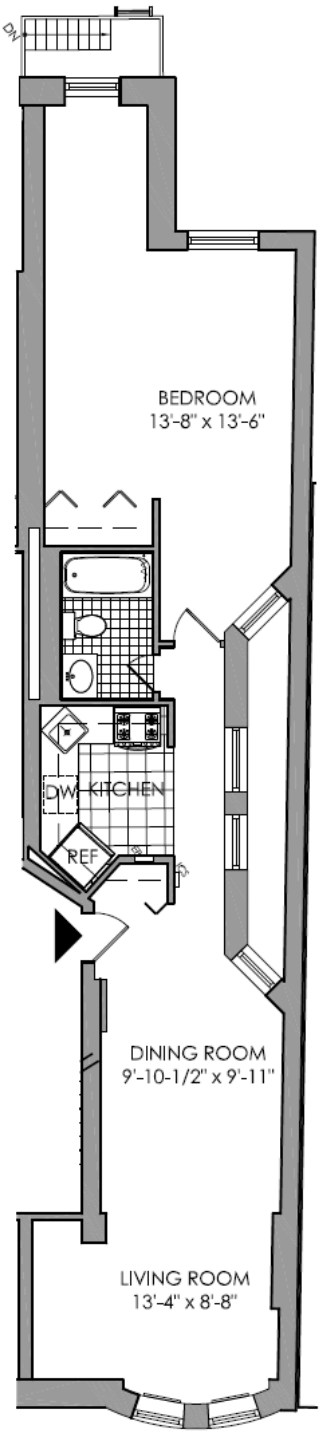
0" 2' 4' 8' 16'

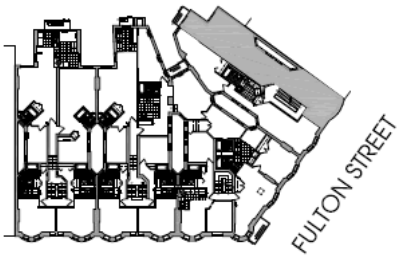
SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

680 Fulton Street





KEY PLAN

N

UNIT 2B - 4B

2ND THRU 4TH FLOOR

1 BEDROOM APARTMENT

1 BATHROOM

AREA: 890 SF

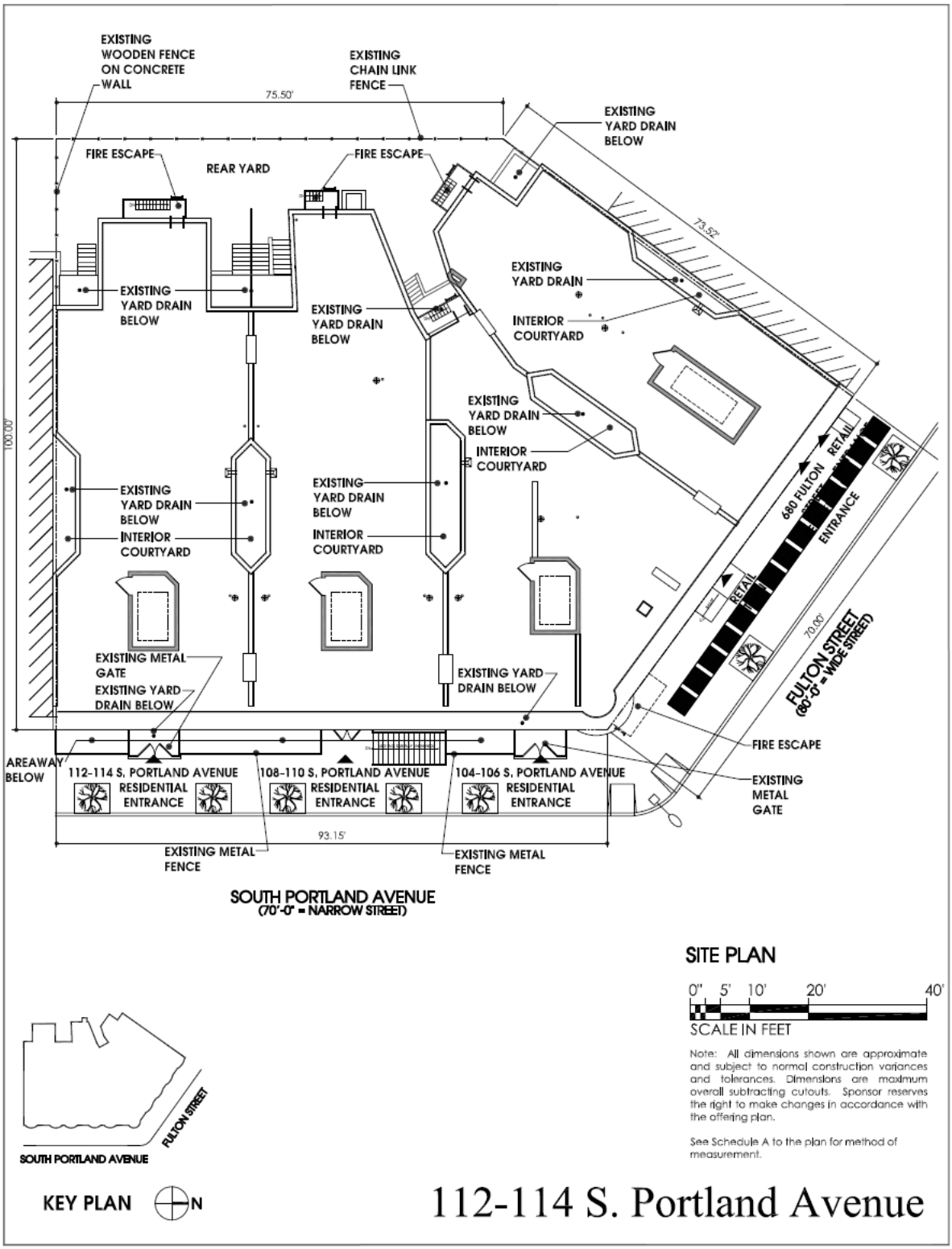
0" 2' 4' 8' 16'

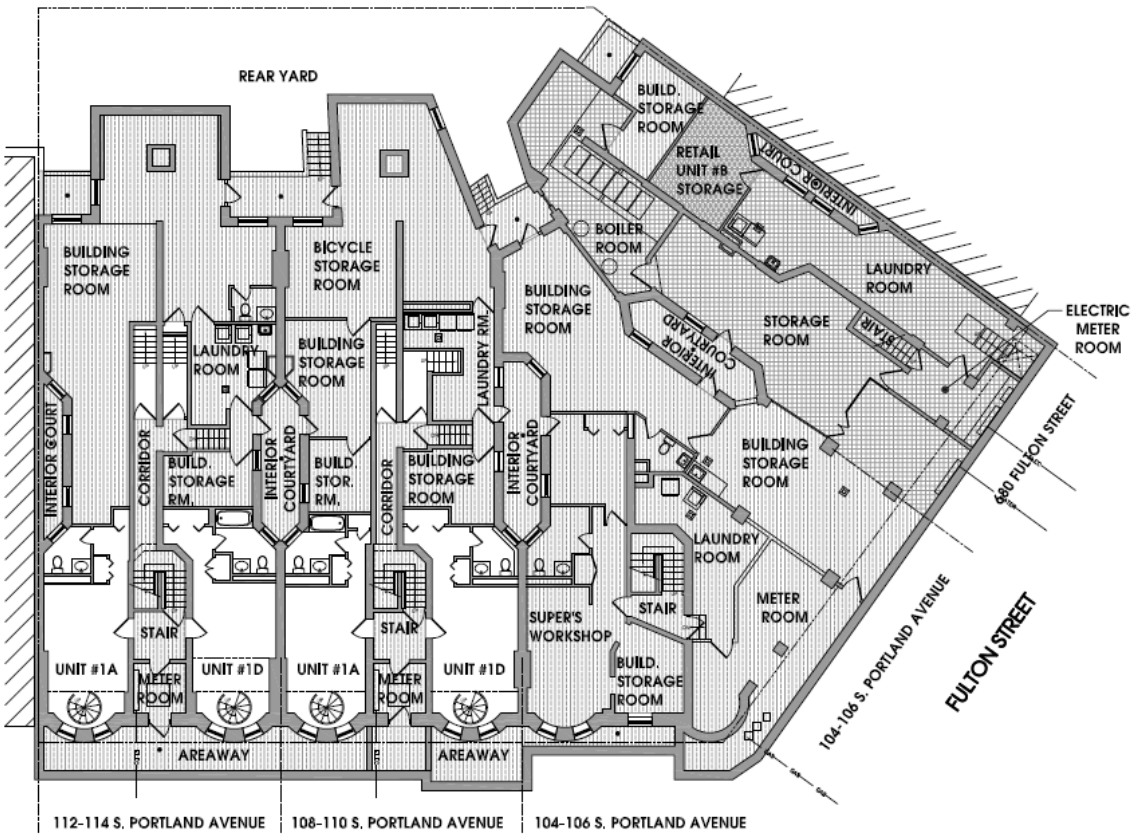
SCALE IN FEET

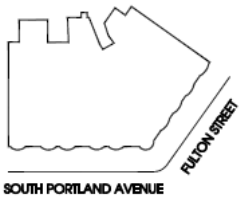
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

680 Fulton Street


EXISTING WOODEN FENCE ON CONCRETE WALL
EXISTING CHAIN LINK FENCE
75.50'
EXISTING YARD DRAIN BELOW
FIRE ESCAPE
REAR YARD
FIRE ESCAPE
73.92'
EXISTING YARD DRAIN BELOW
EXISTING YARD DRAIN BELOW
EXISTING YARD DRAIN
INTERIOR COURTYARD
EXISTING YARD DRAIN BELOW
INTERIOR COURTYARD
100.00'
EXISTING YARD DRAIN BELOW
INTERIOR COURTYARD
EXISTING YARD DRAIN BELOW
INTERIOR COURTYARD
680 FULTON
RETAIL
ENTRANCE
RETAIL
70.00'
FULTON STREET
(60'-0" = WIDE STREET)
EXISTING METAL GATE
EXISTING YARD DRAIN BELOW
EXISTING YARD DRAIN BELOW
FIRE ESCAPE
AREAWAY BELOW
112-114 S. PORTLAND AVENUE
RESIDENTIAL ENTRANCE
108-110 S. PORTLAND AVENUE
RESIDENTIAL ENTRANCE
104-106 S. PORTLAND AVENUE
RESIDENTIAL ENTRANCE
EXISTING METAL GATE
93.15'
EXISTING METAL FENCE
EXISTING METAL FENCE
SOUTH PORTLAND AVENUE
(70'-0" = NARROW STREET)
SITE PLAN
0" 5' 10' 20' 40'
SCALE IN FEET
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.
See Schedule A to the plan for method of measurement.
FULTON STREET
SOUTH PORTLAND AVENUE
KEY PLAN
N
112-114 S. Portland Avenue





KEY PLAN N

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

CELLAR FLOOR PLAN

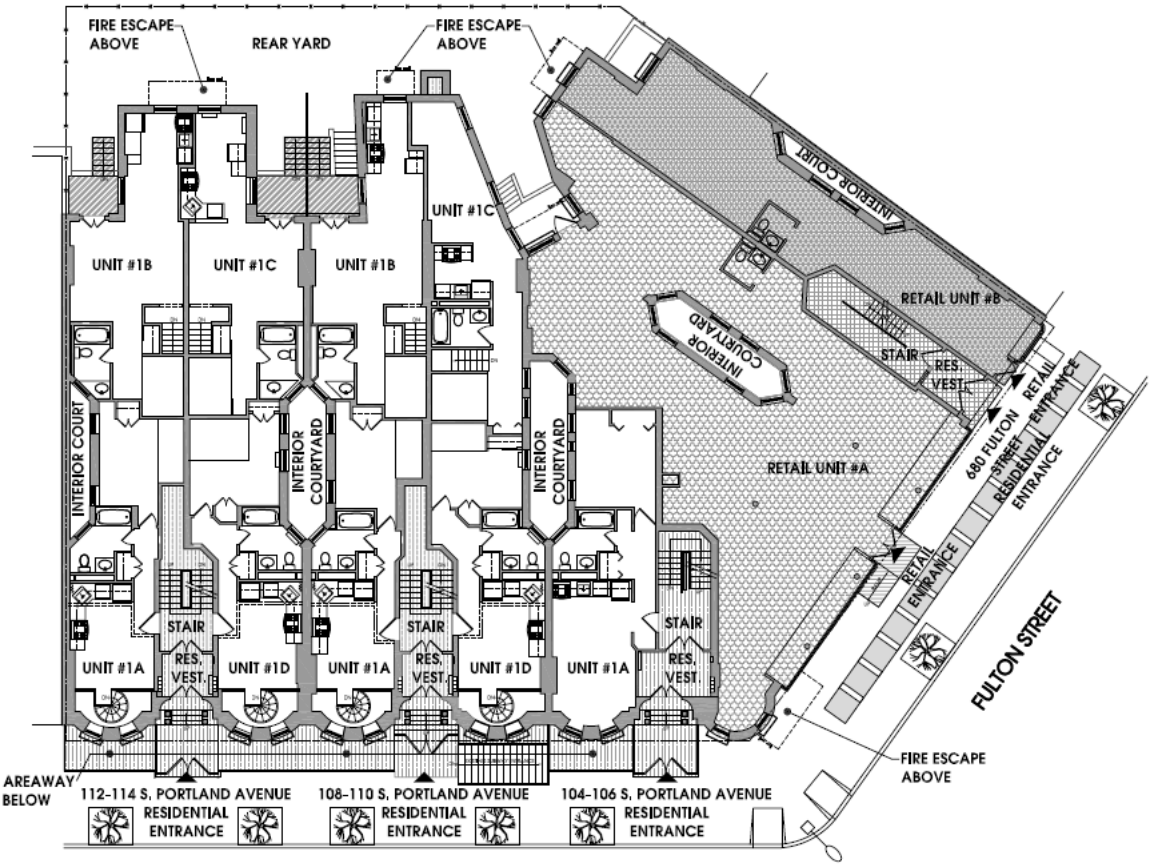
0" 5' 10' 20' 40'

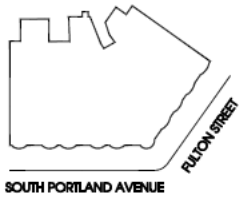
SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue





KEY PLAN N

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

1ST FLOOR PLAN

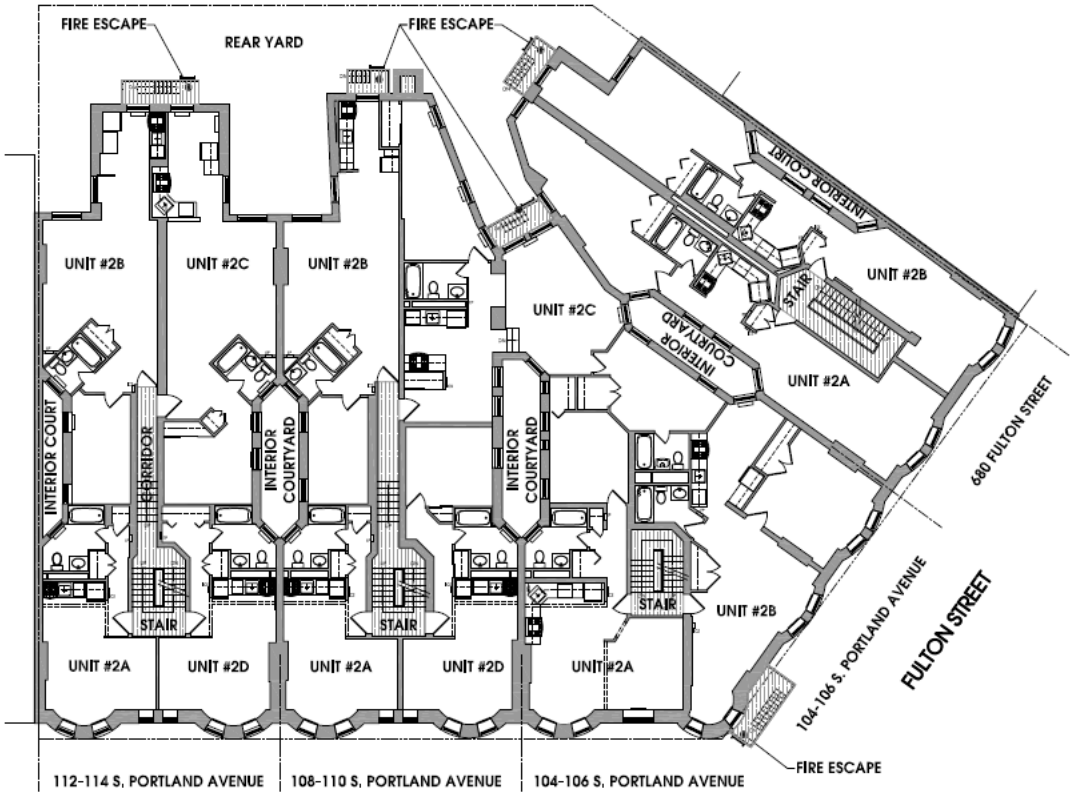
0' 5' 10' 20' 40'

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue



RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

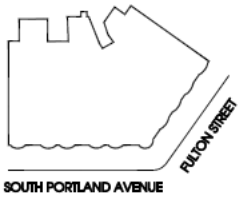
2ND FLOOR PLAN

0' 5' 10' 20' 40'

SCALE IN FEET

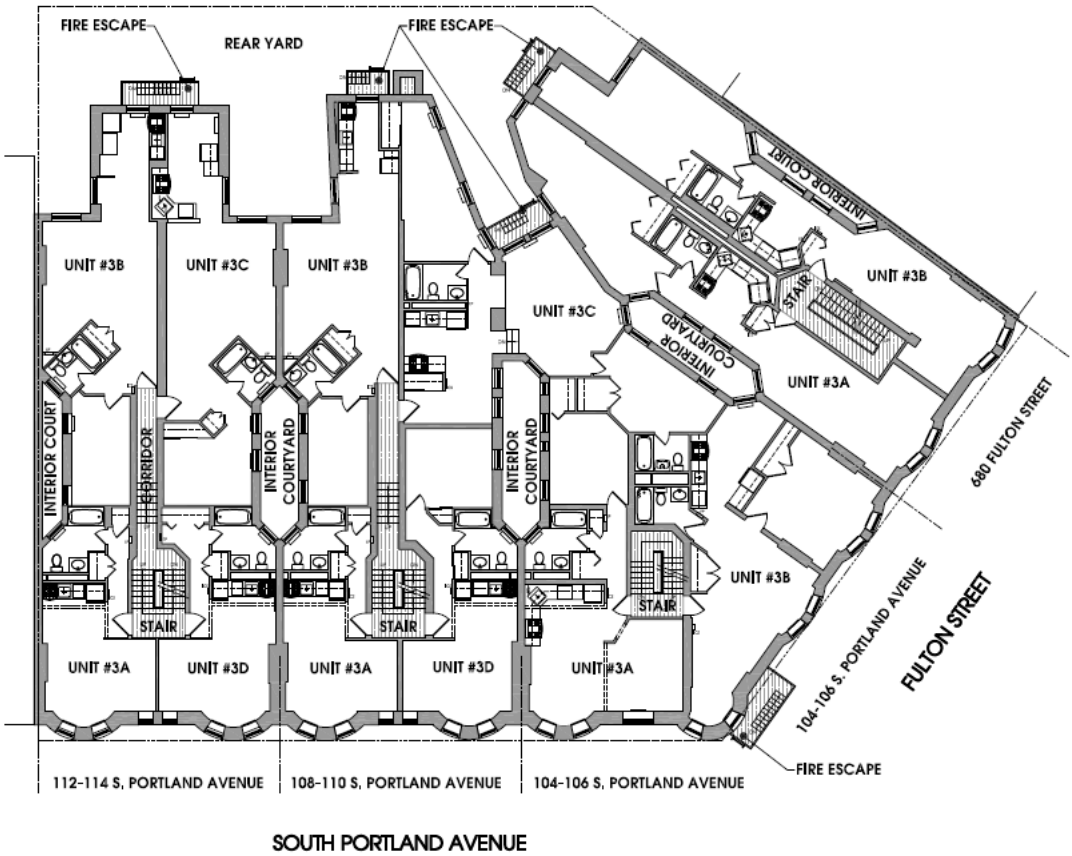
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

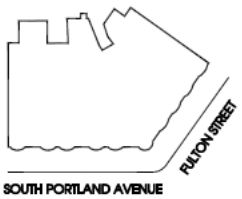
See Schedule A to the plan for method of measurement.



KEY PLAN N

112-114 S. Portland Avenue





KEY PLAN N

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

3RD FLOOR PLAN

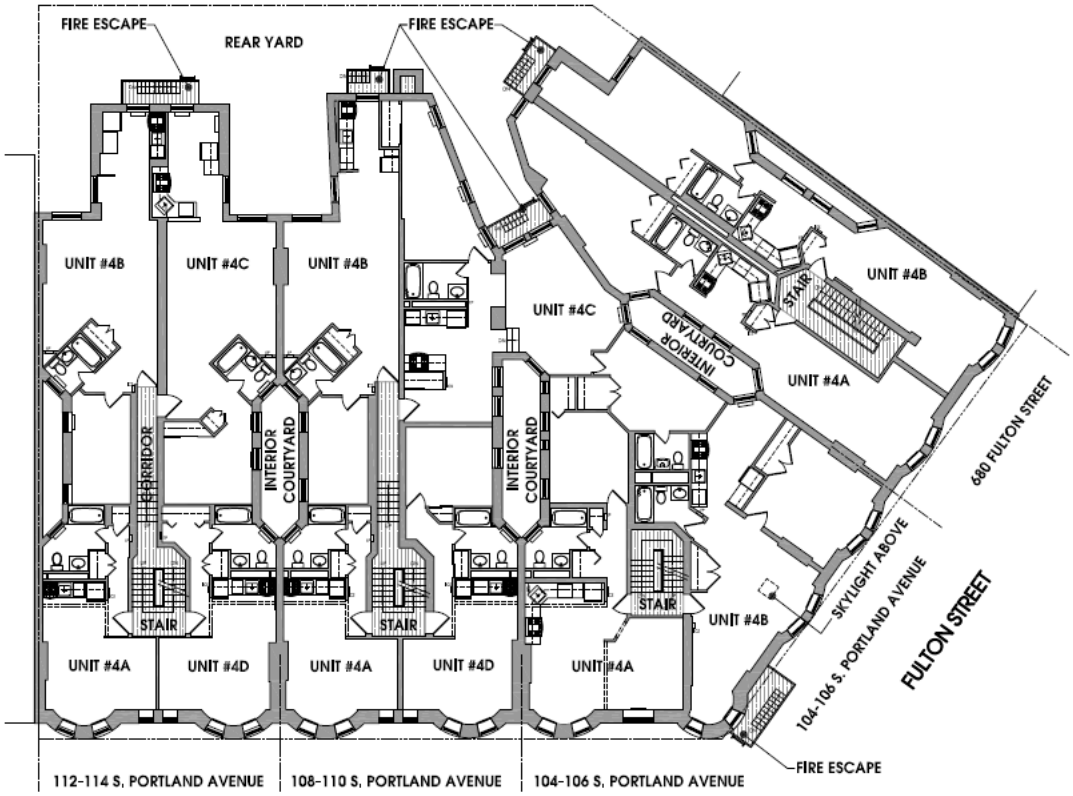
0' 5' 10' 20' 40'

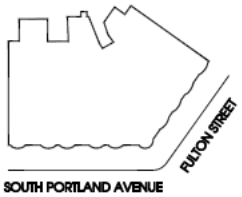
SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue





KEY PLAN N

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

4TH FLOOR PLAN

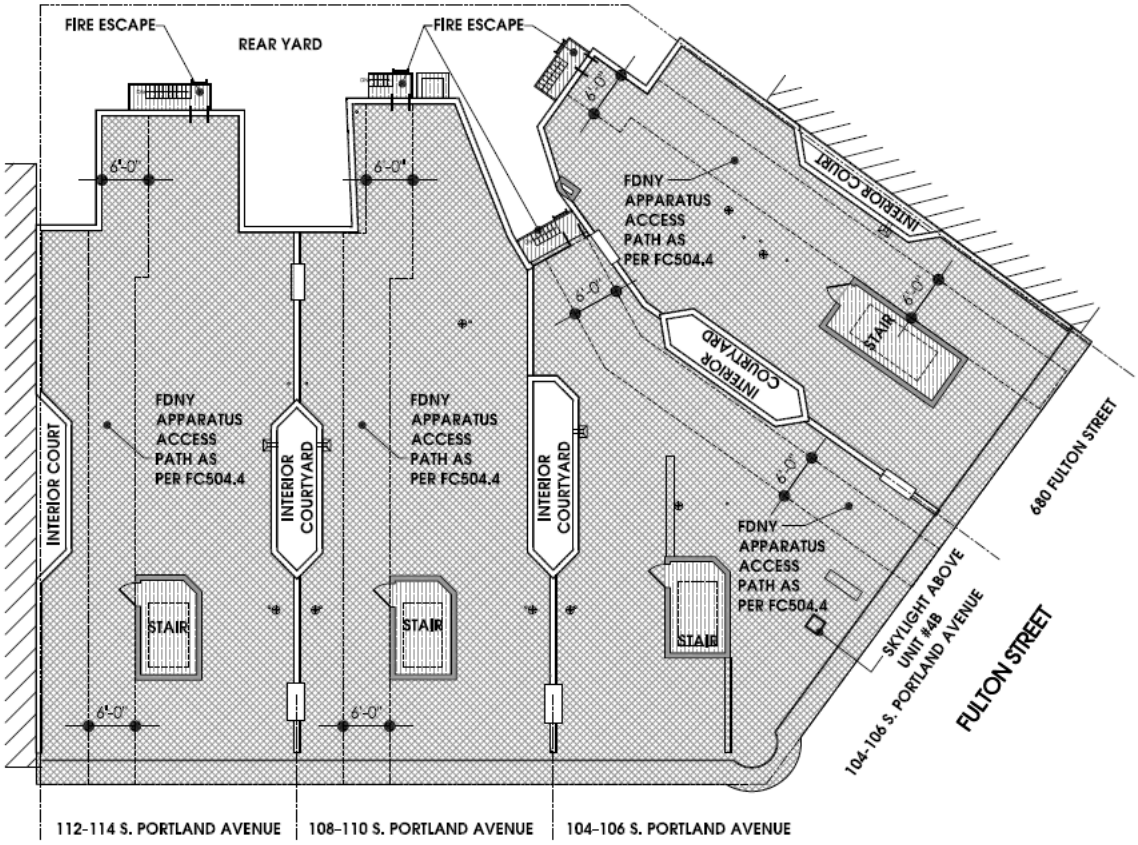
0' 5' 10' 20' 40'

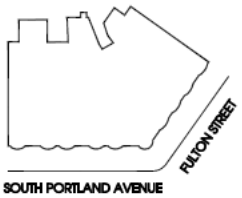
SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue





KEY PLAN N

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RESIDENTIAL LIMITED COMMON ELEMENT

ROOF PLAN

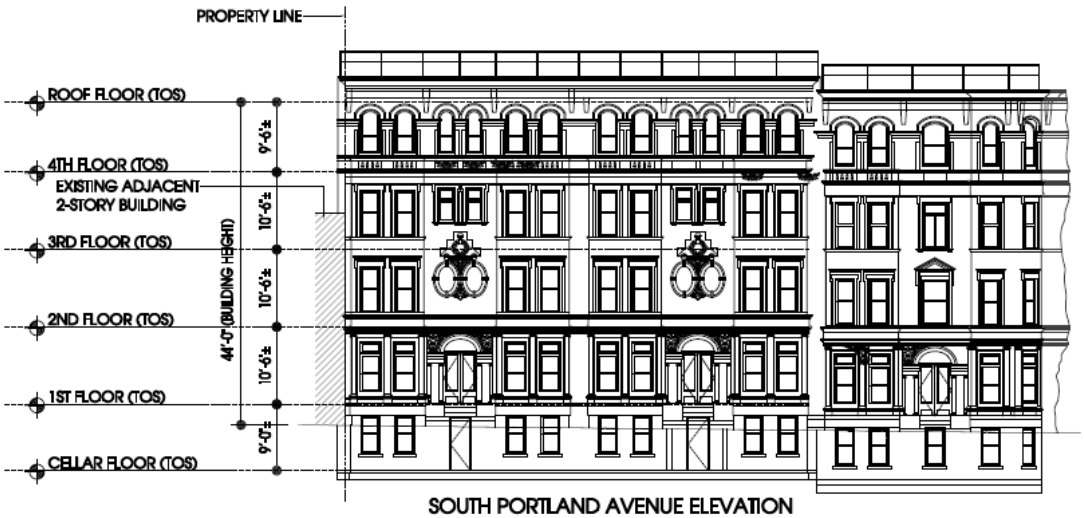
0' 5' 10' 20' 40'

SCALE IN FEET

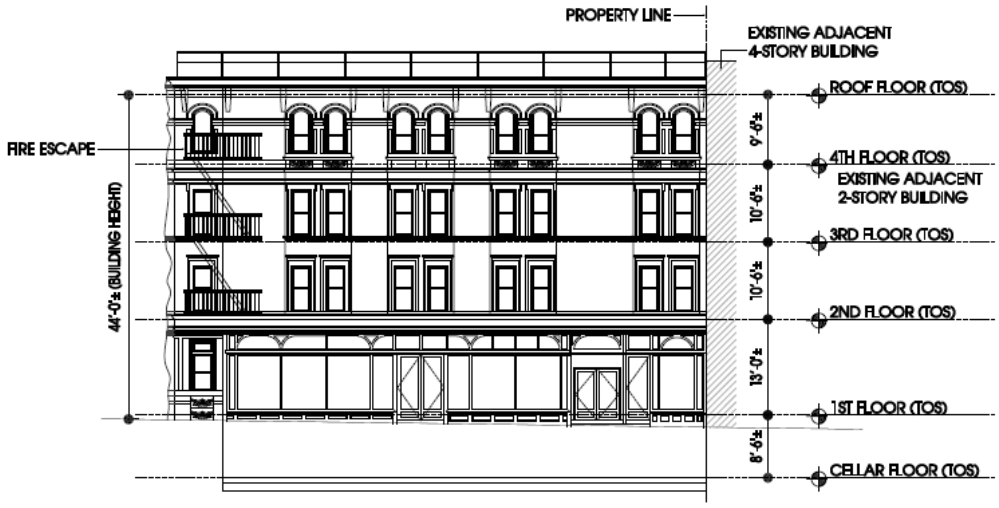
Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.

112-114 S. Portland Avenue



SOUTH PORTLAND AVENUE ELEVATION



FULTON STREET ELEVATION

SOUTH PORTLAND AVENUE & FULTON STREET ELEVATIONS

RETAIL UNIT #A

RETAIL UNIT #B

GENERAL COMMON ELEMENT

RETAIL UNIT #A LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

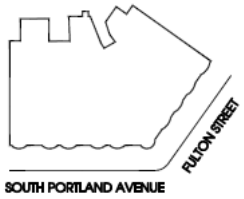
RESIDENTIAL LIMITED COMMON ELEMENT

0' 5' 10' 20' 40'

SCALE IN FEET

Note: All dimensions shown are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts. Sponsor reserves the right to make changes in accordance with the offering plan.

See Schedule A to the plan for method of measurement.



KEY PLAN N

112-114 S. Portland Avenue

EXHIBIT "9"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
104-112 South Portland Avenue
Brooklyn, New York 11217

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
The Portland Condominium

Declarant:
Fulton Street Associates LP
c/o IBEC Building Corp.
90 Broad Street, Suite 2003
New York, New York 10004

Date of Declaration:

_____, 20___

The land affected by the within instrument lies in
Section __, Tax Block 2114, formerly known as Tax Lot 23
now known as Lots _____
on the Block Map of Taxes and Assessments
in the Borough of Brooklyn, City of New York

Attorneys for Declarant
Holland & Knight LLP
787 Seventh Avenue, 31st Floor
New York, New York 10019
Attn: Stuart M. Saft, Esq.
(212) 513 - 3308

#190619258_v4

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DECLARATION
OF
THE PORTLAND CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

Fulton Street Associates LP, a New York limited liability partnership, having an office c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Buildings (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "The Portland Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

2.3 The Property includes that portion of the unused floor area development rights that are subsequently acquired or that may become available under the zoning resolution of the City of New York (the "Development Rights"), all of which, however, are hereby assigned and reserved to and shall inure to the benefit of the Declarant, which Development Rights may be utilized by the Declarant or any other party acquiring the same from the Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument. The Declarant has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Building nor will be transferred to an entity where they would be used to impact the light or air appurtenant to the Building. None of the Unit Owners or the Condominium Board will have any interest in the

rents, profits or revenues from the sale or use of any of the Development Rights.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the County of Kings, City and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 11,004 square feet.

ARTICLE 4
THE PROPERTY

Included in the Property described in Article 2 is a four (4) story building ("Building") consisting of forty-five (45) Residential Units (the "Residential Units") and two (2) Non-Residential Units (the "Non-Residential Units"). (The Residential Units and the Non-Residential Units are referred to collectively, as the "Units" and individually, as a "Unit"). The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners".

ARTICLE 5
THE BUILDING

The Building consists of a total of forty-seven (47) Units. The Building is constructed of wood joist. The exterior walls are constructed of masonry. The Building is four (4) stories and one (1) Cellar level. The floors in the Building are named (from bottom to top): Cellar, First Floor through Fourth Floor, Roof and Bulkhead Roof. The Building has entrances on Fulton Street and South Portland Avenue.

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; approximate Limited Common Element square foot area; location; number of bedrooms and bathrooms; and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Buildings (the "Floor Plans") certified by _____ Architect, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the Kings County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, all improvements and personal property within the unit, including interior walls, wall coverings, flooring, finishes, window treatments, cabinetry, sinks, toilets, showers, bathtubs, appliances, interior doors, not

including the doors in and to such Unit, not including the front entrance door, smoke detectors, for cleaning purposes, all interior glass windows to such Unit, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit.

6.3 Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.4 Each Unit will include all related Facilities exclusively serving the Unit.

6.5 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.6 Each of the Units is subject to the encroachments and easements described in this Declaration to the extent and on the terms and conditions provided for herein.

6.7 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated person, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate indoor floor area of each Unit Each unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of all interior walls and partitions separating one Unit from another Unit, corridors, stairs, elevators, and other mechanical equipment space or any Common Elements. Each terrace consists of the area

measured horizontally from the exterior side of the exterior walls to the interior side of the terrace parapet walls. . Outdoor floor areas appurtenant to Units are not included in the Units' floor areas.

7.2 Measured vertically, each Unit consists of the top of the finished floor/structure to bottom of the ceiling/structure, unless otherwise noted.

7.3 The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's facade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant, or reduction in the price.

ARTICLE 8
COMMON ELEMENTS

8.1 Common Elements

8.1.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Buildings and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Buildings and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or all of the Unit Owners. The Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Residential Common Elements and/or the Residential Limited Common Elements and/or Non-Residential Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.4, 8.5 or 8.6), together with the exterior walls and roof of the Building.

8.3.3 The boiler room, electric meter room, storage, laundry, or other rooms located at the cellar level of the Building; any and all cellar or other areas of the Building.

8.3.4 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Non-Residential Section and the Residential Section and are not a part of any Unit or Residential Common Elements.

8.4 The Residential Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Common Elements; and also those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners, whether or not designated as Residential Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Common Elements include, without limitation, the following:

8.4.1 Stairs serving the Residential Section.

8.4.2 Building storage, meter rooms, bicycle storage room, super's workshop.

8.4.3 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables serving exclusively the Residential Section.

8.4.4 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section.

8.4.5 All passages, elevators, hallways, stairs and corridors, all mechanical space

and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, Residential Limited Common Elements or part of a Non-Residential Unit, Non-Residential Limited Common Elements or General Common Elements, including their concrete floor slabs and ceilings.

8.4.6 Emergency Egress Easement stairs and corridor.

8.4.7 Residential entrances.

8.4.8 All other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.5 The Residential Limited Common Elements consist of the following:

8.5.1 Any private Back Yard, together with any fencing delineating such area, as delineated on the Floor Plans. Nonstructural, ordinary repairs and maintenance of the Back Yard, together with any fencing which delineates such area, and any appliances or equipment servicing such area, shall be the responsibility of the individual Unit Owner(s) who have the exclusive use thereof; and

8.5.2 All normal and ordinary maintenance, repair and replacement of Residential Limited Common Elements (i.e., cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Unit Owner(s) having the exclusive use thereof. Washing exteriors of windows will be borne by the Unit Owners as a Common Expense. The cost of repairing and/or replacing a divider separating two or more Back Yard areas shall be shared equally by the Unit Owners whose Back Yards are affected unless the need for repair or replacement was occasioned by the negligence of one of the Unit Owners or his or her guest(s) or agent(s), in which case the cost shall be borne exclusively by said Unit Owner. Structural or extraordinary repairs of the Residential Limited Common Elements, including such items as complete replacement of concrete in rear yards, and the slab under Back Yards, will be borne by the Unit Owners as a Common Expense.

8.6 The Non-Residential Limited Common Elements include:

8.6.1 Storage rooms.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the By-Laws, a Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable governmental laws and regulations, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units, and (4) the restrictions as described in Section 6.14 of the By-Laws. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Declarant (and its designees) may, without permission of the Board or any other person use or grant permission for the use of any Unsold Unit for any lawful purpose, including, but not limited to, the use of any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable laws.

9.3 Notwithstanding anything contained herein, in the By-Laws or the Rules and Regulations to the contrary, Declarant or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Unit for any purpose, including, but not limited to, the use of any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units for any other purpose, subject only to compliance with applicable governmental laws and regulations to any such use.

9.4 Except as otherwise provided in the By-Laws, the Common Elements may be used only for the furnishing of the services and facilities and for the other uses permitted by the certificate of occupancy and for which they are reasonably suited.

9.5 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

9.6 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE CONDOMINIUM

10.1 Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Common Element as part of a newly created Unit or Limited Common Element, or

designate all or part of a Unit as a newly created Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units.

10.2 No reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based on Real Property Law §339i. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

10.3 Without the consent of the Condominium Board, Declarant and the Non-Residential Unit Owners shall have the right to: (1) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Non-Residential Common Elements appurtenant to the Non-Residential Units; (2) change the layout or number of rooms in the Non-Residential Units from time to time; (3) change the Non-Residential Unit, by subdividing the same, into any desired number of Non-Residential Units, combining any of the Units or combining any Units resulting from a subdivision, altering the boundary walls between portions of a Non-Residential Units, or otherwise; (4) designate all or part of their Unit as a newly created Unit or Limited Common Element; and/or (5) reapportion among the newly created Units resulting from any subdivision, combination or otherwise (all in accordance with the Condominium Documents) their percentage interests in the Common Elements which shall 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, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Units than existed for an original Non-Residential Unit; provided, however, that the percentage interest in the Common Elements of any portion of a Non-Residential Unit owned by another Non-Residential Unit Owner shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit

Owners harmless from any liability arising therefrom.

ARTICLE 11
PERSON TO RECEIVE SERVICE

11.1 The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium. The Secretary of State shall mail copies of such process c/o Fulton Street Associates LP, 90 Broad Street, Suite 2003, New York, New York 10004. After Sponsor relinquishes control of the Condominium Board 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, at 104-112 South Portland Avenue, Brooklyn, New York 11217.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

Determination of Percentage of Interest in Common Elements. The percentage of interest in the Common Elements applicable to each Unit, as shown on Schedule B, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit. The aggregate Common Interest for all Units is 100%.

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14
ACCESS TO COMMON ELEMENTS

14.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing

utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board, or their agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 14 shall be exercised in such a manner as will not unreasonably interfere with use of the Units for their permitted purposes. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

14.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of the Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units.

14.3 The Condominium Board shall, if any question arises, determine the purpose for which a Common Element is intended to be used. The Condominium Board shall have the right to regulate access to the Common Elements and to promulgate rules and regulations scheduling the use of Common Elements, and limiting the use of Common Elements. The Condominium Board may not enact rules or regulations or perform any act that would discriminate against any Residential Unit Owner or the tenants of that Unit Owner's Unit in connection with the same.

ARTICLE 15
EASEMENTS AND NAME OF CONDOMINIUM

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, (a) an easement for the use of the Common Elements; (b) an easement for ingress and egress through the Condominium and for the use of any Common Element, to the extent necessitated by an emergency; and (c) an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

15.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements or Limited Common Elements located in, over, under, through

or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units, the Common Elements; or the Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) days' notice, except that no notice will be necessary in the case of an emergency.

15.3 Declarant or its designee and their successors and assigns shall, to the extent permitted by law and without the necessity of obtaining consent of the Condominium Board, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising the sale or lease of any Unsold Unit.

15.4 Declarant for so long as it owns a Unit or its designee and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, steam, ventilation or other easements for utilities or otherwise or relocate any easements in any portion of the Property, as the case may be, as Declarant or its designee or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

15.5 Declarant shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Common Elements or Limited Common Elements, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.6 In addition to the foregoing, the following easements shall remain in effect as long as the Building remains a condominium:

15.6.1 The Condominium Board shall have an easement through the ceiling of the Non-Residential Units for the Building's pipes and riser control valves; the pipes to the bathrooms and kitchens; and wiring. Access rights are subject to Section 15.1.

15.6.2 The Residential Units shall have an easement through the Non-Residential Units for: water and sewer lines, vents and drains; fire sprinklers; electrical lines from the switchgear; telephone and electrical lines; water and distribution pipes; natural gas pipes; drain lines and electrical service.

15.7 The Condominium shall be designated and known as "The Portland Condominium". Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building, subject to the consent of the Condominium Board.

15.8 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Unit, shall have (a) an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units; and (b) to use, without charge, portions of the Building, including the Common Elements, for events and/or promotional functions in connection with the sale and leasing of the Units, so long as such use shall not interfere with the reasonable access to and use of, or have a material and adverse impact on, the Non-Residential Units.

15.9 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Unit Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building) in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the emergency. The Exercising party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the default rate, together with all rights at equity and at law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Unit Owner or any rules and regulations adopted by the Condominium Board, or for the

purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

ARTICLE 16
POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Property or the Common Elements which the Condominium Board deems necessary or appropriate.

16.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

16.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Declaration and to effectuate the rights granted to the Declarant under the Declaration and By-Laws including the power to execute the Required Documentation.

16.4 In addition, until the permanent Certificate of Occupancy is issued each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority or governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

ARTICLE 17
ACQUISITION OF UNITS BY THE BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

ARTICLE 18
COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 18, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the

By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

18.3 Subject to Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19
AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any, if such amendment has a materially adverse impact on the mortgagees. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions

contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-infact.

19.2 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted which would: (a) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit: (i) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to Declarant or its designee; or (ii) impose any discriminatory charge or fee against Declarant or its designee, unless Declarant or such designee shall consent thereto, by joining in the execution of such Amendment; (b) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Declarant, unless the Declarant shall consent thereto by joining in the execution of such Amendment; or (c) change the permitted use of any such Unit or such Unit's Common Interest, unless the owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

19.3 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 19.3 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Unit Owner.

ARTICLE 20
TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 21
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22
CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 23
CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

23.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24
SEVERABILITY

If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision (i) 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 (ii) shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

ARTICLE 25
COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, a recognized mortgagee, an occupant of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (the "Required Action").

25.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or does not object to same within the aforementioned ten (10) business days then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 25.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner including a request that the Defaulting Unit Owner and to any recognized mortgagee in accordance with Article 7 of the By-Laws, take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an emergency) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, permitted users and the Condominium Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

25.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by Law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor

transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. Declarant has not given and no Board has relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

ARTICLE 26
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be.

ARTICLE 27
COVENANTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28
CONDOMINIUM GOVERNANCE

28.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

28.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable law requires that there be a condominium board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including,

without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 29
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 30
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall Declarant nor any Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or Affiliate of Declarant, any Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or Affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, ____.

Fulton Street Associates LP

By: _____
Name:
Title:

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

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

_____
Notary Public

EXHIBIT A
PROPERTY DESCRIPTION

#190619258_v4

EXHIBIT B
DESCRIPTION OF UNITS

#190619258_v4

EXHIBIT C
DEFINITIONS

"Adversely affect" as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Affiliate" is described in Section 8.7 of the By-Laws.

"Allocable Percentage" is described in Section 6.3.3 of the By-Laws.

"Arbitration" refers to the procedure described in Article 11 of the By-Laws.

"Back Yard(s)" refers to back yards appurtenant to certain first floor Units which are Limited Common Elements.

"Building" refers to the structures and improvements including above and below grade segments, known as 104-112 South Portland Avenue, Brooklyn, New York in which the Units of the Condominiums are located.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth as Exhibit D.

"Casualty Excess Distributions" is defined in Section 6.3.7 of the By-Laws.

"City Register's Office" refers to the Kings County Office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refer to assessments payable to the Condominium Board for the purpose of meeting Common Expenses.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units.

"Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Condominium" refers to The Portland Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9B.

"Condominium Board" refers to the condominium board of the Condominium.

"Declarant" refers to Fulton Street Associates Limited Partnership, a New York limited liability partnership, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declarant's Lender" refers to JP Morgan Chase.

"Declaration" refers to this instrument, which creates the Condominium, as the same may be amended from time to time.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Closing"words of similar import, refers to the date fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register's Office.

"Initial Control Period" refers to the period during which members of the Condominium Board or Condominium Board designated by Declarant constitute a majority of the members of said Board which shall end the earlier of: (i) the closing of title by Sponsor or its designees of Residential Units representing more than 50% of the Common Interests or (ii) five (5) years after the First Closing.

"Inspectors of Election" is defined in Section 3.8.4 of the By-Laws.

"Institutional Lender" refers to the holder of an Institutional Mortgage.

"Insurance Trustee" is defined in Section 12.5 of the By-Laws.

"Land" refers to the land beneath the Building and the appurtenances thereto.

"Legal Requirements" refer to and the orders, rules, regulations, directives, binding

resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof

"Limited Common Element" is defined in Section 8.1.1 of the Declaration.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Mortgage Representatives" is defined in Section 7.5 of the By-Laws.

"Non-Residential Common Elements" refer to refers to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners..

"Non-Residential Units" is defined in Article 4 of the Declaration.

"Non-Residential Unit Owners" refer to the owners of the Non-Residential Units.

"Permitted Mortgage" refers to (i) any mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws, for which notice has been provided to the Board (except that no notice shall be required to be provided by any Permitted Mortgagee of Declarant), and (ii) any pledge of direct or indirect ownership interests in the Sponsor/Declarant or the Non-Residential Unit Owner, as applicable, to secure mezzanine financing or preferred equity financing.

"Permitted Mortgagee" shall mean each holder of a Permitted Mortgage.

"Plan" refers to the Offering Plan for the Condominium as the same may be amended from time to time.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in a Purchase Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Declarant.

"Residential Unit" is defined in Article 4 of the Declaration."Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Restoration Proxy" is defined in Section 6.3.4 of the By-Laws.

"Retail Units" means the "Non-Residential Units.

"Rules and Regulation" refer to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Schedule A" refers to Schedule A, "Purchase Price and Related Information for the Projected First Year of Condominium Operation" set forth in Part I of the Plan.

"Schedule B" refers to Schedule B, "Projected Budget for the First Year of Condominium Operation" set forth in Part I of the Plan.

"Unavoidable Delays" refer to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Declarant), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, terrorist acts, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove state; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence, together with an appurtenant proportionate undivided interest in the Common Elements and, as the case may be, in the Common Elements or the Limited Common Elements. All of such Units are collectively referred to as "Units".

"Unit Owner" refers to any Unit Owner and all of such Unit Owners are collectively referred to as the "Unit Owners".

"Unit Owner Expenses" are those expenses incurred on behalf of a Unit Owner, which expenses are expressly provided to be "Unit Owner Expenses" under the terms of the Declaration or the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or any of its respective designees as the holder of one or more Unsold Unit(s); any Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of its principals is a member; or any Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

"Working Capital Fund" refers to the working capital fund of the Condominium to which each Purchaser of a Unit is required to contribute two (2) months of Common Charges upon the purchase of such Unit.

EXHIBIT D

BY-LAWS
OF

THE PORTLAND CONDOMINIUM
104-112 SOUTH PORTLAND AVENUE
BROOKLYN, NEW YORK 11217

#190619258_v4

EXHIBIT E
UNIT POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by Fulton Street Associates LP ("Declarant") establishing a plan for condominium ownership of the premises known as The Portland Condominium and by the street number 104-112 South Portland Avenue, Brooklyn, New York 11217 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, the owner of the Condominium Unit (the "Unit") in Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 2114 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the board of managers of the Condominium (hereinafter collectively referred to as "Condominium Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the General Common Elements which the Condominium Board, with respect to the General Common Elements and the Residential Board with respect to the Residential Section, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance,

demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Residential Board, in each case to the extent required in the By-laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, Non-Residential Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) institutional lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

_____

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

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

#190619258_v4

EXHIBIT "10"

CONDOMINIUM BY-LAWS

BY-LAWS
OF

THE PORTLAND CONDOMINIUM
104-112 SOUTH PORTLAND AVENUE
BROOKLYN, NEW YORK 11217

#190619258_v4

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BY-LAWS

OF

THE PORTLAND CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of Condominium. The Condominium covers the Propertyconsisting of approximately 11,004 square feet of Land which comprises Block 2114 of Lots _____ on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York, the Building and other improvements now or hereafter to be constructed thereon or therein, as the case may be, including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Kings County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the City of New York reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2
CONDOMINIUM BOARD

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium

shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meetings of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of five (5) persons elected by the Unit Owners, subject to Declarant's rights under Subsection 2.1.3 hereof and one person designated by the owner of the Non-Residential Units. The Condominium Board is herein sometimes referred to collectively as the "Board".

2.1.2 Each member of the Condominium Board except for the first Board as provided in 2.4 and except as otherwise provided herein, shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee, all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee, no Board member shall continue to serve after he ceases to be qualified as set forth above.

2.1.4 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All decisions that only effect the residential portion of the Building or the Residential Unit Owners and do not have a negative impact on the Non-Residential portions of the Building or the Non-Residential Unit Owner shall be made by the residential members of the Board. All other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1.a. Operation, care, upkeep, maintenance, repair and

replacement of the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1.b. The amount of Common Charges.

2.2.2.1.c. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.1.d Adoption of, and amendments and additions to, the Rules and Regulations for the use of the Common Elements.

2.2.2.2.e. Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1.f. Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1.g. Enforcing obligations of Unit Owners.

2.2.2.1.h. Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1.i. Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1.j. Adjusting and settling insurance claims (and executing and delivering releases in connection therewith).

2.2.2.1.k. Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Common Elements; provided, however, that (i) the consent of at least fifty one percent (51%) in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1.1. Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.2.1.m. Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Buildings, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1.n. Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1.o. Obtaining and reviewing insurance for the Property, pursuant to the provisions of Section 6.2.

2.2.2.1.p. Purchasing, leasing and otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, the Unit or portions thereof offered for sale or lease or surrendered by their owners to the Board.

2.2.2.1.q. Purchasing the Units or portions thereof at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.1.r. Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) the Units or portions thereof acquired by, and subleasing the Units or portions thereof leased by, the Board or its designee, on behalf of all Owners.

2.2.2.1.s. Operation, maintenance and supervision of all Common Elements and the Limited Common Elements.

2.2.2.1.t Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.1.u Imposition of move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1.v Executing, acknowledging and delivering: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting the Property

that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate.

2.2.2.1.w Commencement of summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or the Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.1.x Licensing or leasing Common Elements that are not being used by the Unit Owners.

2.2.2.1.y Carrying out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

2.2.3 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements or to the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.5 Notwithstanding anything contained in the By-Laws to the contrary, the Condominium Board shall not have the right to: (a) restrict or limit any of the uses of, or alterations in or to, the Non-Residential Units; or (b) commence any litigation or arbitration other than to

collect common charges or assessments or enforce the provisions of the Declaration or By-Laws (other than to defend the Condominium in such action) without first obtaining the written consent of the owners of three-quarters of the Units and the Common Interests. Part (b) of this paragraph 2.2.5 shall not be amended without the approval of three-quarters of the Unit Owners.

2.2.6 The Condominium Board, as to the Common Elements, and the Unit Owners, as to each Unit Owner's Unit, shall perform all routine inspections, maintenance, repairs and replacements required by the owner's manual and their professional advisors.

2.3 Managing Agents and Board Members. With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2.1(b), (e), (g), (h), (1), (m), (n) and (o).

2.4 First Board. The Condominium Board shall initially consist of the three (3) persons designated by Declarant, who shall be deemed to have been "elected" as members of the Board for the purposes of these By-Laws. Within thirty (30) days after the earlier of (i) the closing of title by Sponsor or its designees of Residential Units representing more than fifty percent (50%) of the Common Interests, or (ii) five (5) years after the First Closing of a Unit, the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing a new Board in accordance with the provisions of Section 3.1. The terms of each such member of the Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of the Board, the Board shall have three (3) members. If at any point during the Initial Control Period, Declarant no longer owns the Non-Residential Units, then Sponsor/Declarant shall have the right to designate two (2) members of the Board and one (1) member designated by the owners of the Non-Residential Units. Members of the Condominium Board shall have the right but not the obligation to appoint representatives to attend Board meetings and vote on behalf of the Board members designating them and the representatives shall have the full power and authority of the Board members.

2.5 Resignation and Removal. A Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of subsection 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. The Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in 2.6. In addition, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member. A Board member, who fails to attend three consecutive meetings of the Board or five (5) meetings in any twelve month period or who ceases to be a Unit Owner or who is more than two months in arrears in paying

maintenance and assessments shall be deemed to have resigned from the Board.

2.6 Vacancies. Subject to the provisions of 3.9.3, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 Organizational Meetings of the Board. The organizational meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.8 Regular Meetings of the Board. Regular meetings of the Board may be held at such time and place in the Borough of Brooklyn as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or telegram, at least five (5) business days prior to the day named for such meeting. Board members may attend meeting by conference telephone call.

2.9 Special Meetings of the Board. Special meetings of the Board may be called by the President or Vice President of the Board by giving five (5) business days' prior notice to each member of the Board by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two members of the Board. Board members may attend meeting by conference telephone call.

2.10 Waiver of Notice. Any Board member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by the Board; Quorums.

2.11.1 Except as otherwise set forth in subparagraph 2.11.3, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At a Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of the members present shall constitute the decision of the Board.

2.11.2 If at the Board meeting there is less than a quorum present, a majority of

those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone, Zoom, skype or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of the Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Limited Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any Limited Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his or her Unit and his or her appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with the Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.13.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board

or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common or Limited Common Element.

2.13.3 The Condominium shall indemnify each Board member against all costs arising out of such Board member's serving in such capacity except those matters arising out of such Board member's own bad faith, gross negligence, fraud or willful misconduct.

2.13.4 The Condominium Board may contract or effect any other transaction with any Board member, Declarant and/or affiliates of any of the foregoing without incurring any liability of self-dealing or otherwise (except in the case of bad faith, gross negligence, fraud or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions hereof.

2.13.5 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract with respect to any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or assessments.

2.13.6 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the Condominium Board (the "Board Members") and officers of the Condominium (the "Officers") to the same effect as though the Condominium were a corporation and the Board Members and Officers were respectively a board of directors and officers of such corporation.

2.14 Fidelity Bonds. The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an executive committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.16 Principal Offices of the Board. The principal offices of the Board shall each be located within the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Board.

2.17 Status of the Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by

applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 Incorporation of the Board. To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2 of the By-Laws, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.19 The Board as Agent of the Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners the Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners shall be called on the earlier of (i) the closing of title by Sponsor or its designees of Residential Units representing more than fifty percent (50%) of the Common Interests or (ii) five (5) yeas from the First Closing. Such meeting shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) three (3) Board members, and one (1) Board member shall be designated by the owner of the Non-Residential Units. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the members of the Condominium Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 Place of Meetings. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Brooklyn, as may be designated by the Board.

3.3 Special Meetings. The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by not less than twenty five (25%) in Common Interest of Unit Owners.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Appointment of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each of his or her percentage interests in the Common Elements.

3.8.3 When ownership is in the names of two or more persons in the absence of written directions from the unit owners to the contrary, at any meeting of Unit Owners, anyone or

more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.4 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Condominium Board may appoint any person, other than nominees for election to the Condominium Board or existing Board Members, as Inspectors of Election to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than 10 percent of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Condominium Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulation of all votes or consents; determining the result; and such acts as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 Election of Board Members; Rights of Declarant.

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with subparagraph 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). Declarant or Declarant's family or employees shall not hold a majority of seats on the Condominium Board after the Initial Control Period. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. After the Initial Control Period, a majority of the Condominium Board must be Unit Owners who are not employees or family members of the Declarant or its principals.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners, determined in accordance

with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than fifty percent (50%) of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.12 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes. In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Declarant still owns at least one Unit, Declarant and/or its designee shall have the right to elect or designate not more than one (1) member of the Board, who may be a person related to or affiliated with Declarant, such designee or other owner of an Unsold Unit; and such designee and all other Unit Owners shall have the right to elect the remaining members of the Board.

3.13 Meetings. Any action required or permitted to be taken at any meeting of the Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 Confidentiality. Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board members should never disclose how other Board members voted.

3.15 Conflict Of Interest Policy.

3.15.1 Duties of Board Members and Officers

(a) The Board Members and Officers of the Condominium owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Board Members and Officers must have an undivided allegiance to the Condominium and may not use their position as Board Members or Officers, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives. Accordingly, no Board Member or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its mission, or its reputation.

(b) Every Board Member and Officer must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. No Board Member or Officer may take personal advantage of a business opportunity that is offered to the Condominium unless the Condominium Board first

determines not to pursue such opportunity.

(c) Each Board Member or Officer must protect the confidential information of the Condominium and must not use confidential information of the Condominium for his or her personal benefit, or use such confidential information or his or her position as a Board Member or Officer to the detriment of the Condominium. Confidential information is information obtained through the Board Member's or Officer's position that has not become public information.

3.15.2 Direct or Indirect Financial or Other Material Interest

(a) Contracts, transactions, or arrangements (a "Transaction") of the Condominium in which a Board Member or Officer has a direct or indirect financial or other material interest (an "Interest") shall not be prohibited, but they shall be subject to scrutiny. Any such proposed Transaction is to be reviewed to determine that it is in the best interests of the Condominium.

(b) For the purposes of this policy, a Board Member or Officer an Interest in a proposed or existing contract, transaction or arrangement if he or she, or one of his or her relatives: (a) has interest directly in the proposed or existing contract, transaction or arrangement; or (b) holds a position as trustee, Board Member, officer, member, partner, or employee in any such party.

(c) A Board Member's or Officer's Interest will be considered substantial if it involves: (a) an ownership or investment interest representing more than one percent (1%) of the outstanding shares of a publicly traded company or five percent (5%) of the outstanding shares or comparable interest of a privately owned company with which the Condominium has or is negotiating a Transaction or that is an involved Condominium with respect to the Transaction; or (b) an ownership or investment interest, which produces a income for or constitutes a part of the net worth of the Board Member or Officer, or a relative of the Board Member or Officer, in any entity with which the Condominium has or is negotiating a contract, transaction, or arrangement or that is an involved Condominium with respect to the Transaction; or (c) a compensation arrangement of any kind with any entity or individual with which the Condominium has or is negotiating a Transaction, or with any involved Condominium with respect to the contract, transaction, or arrangement.

3.15.3 Disclosure of Interest and Participation in Meeting

(a) Each Board Member and each Officer of the Condominium shall promptly disclose in writing to the President with a copy to each member of the Board any Interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium prior to the start of any negotiations with respect to such matter. Such disclosure shall include all material facts and supply any reasons why the Transaction might be or not be in the best interest of the Condominium. The President shall refer the issue to the full Board having decision-making authority over the substantive matter in question.

(b) The Board Member or Officer who discloses an Interest in a Transaction

may make a presentation and respond to questions by the Board or Committee, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Transaction that results in the conflict of interest. As part of any such presentation, the Board Member or Officer shall provide to the Board or Committee any reasons why the Transaction might be or not be in the best interest of the Condominium. The Board or Committee shall determine whether the Condominium can obtain a more advantageous Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, transaction, or arrangement. If a more advantageous Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by majority vote of the disinterested members of the Board or Committee whether the Transaction is in the Condominium's best interest and whether it is fair and reasonable to the Condominium and shall make its decision as to whether to enter into the Transaction in conformity with such determination.

(c) The existence of a quorum shall not be broken by the non-participation of a Board Member or Officer who has disclosed a direct or indirect financial or other material interest in any substantive matter.

(d) The names of the Board Members and Officers who disclosed or otherwise were found to have a direct or indirect Interest in a proposed or existing Transaction of the Condominium, the nature of the Interest, and the extent of the Board Member's or Officer's participation in the relevant Board or Committee meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as to whether the Transaction was in the best interest of and fair and reasonable to the Condominium. The names of the persons who were present for discussions and votes relating to the proposed or existing Transaction, the content of the discussion, and a record of any votes taken in connection therewith.

(e) Co-Investment Interest. Each Board Member and each Officer of the Condominium also shall disclose whether he or she, or one of his or her relatives, has personal funds invested with an investment manager providing, or expected to provide, investment management services to the Condominium or in a professionally managed investment fund in which the Condominium is invested or is considering investing.

(f) Failure to Disclose. If the Board or Committee has reasonable cause to believe that a Board Member or Officer has failed to disclose a direct or indirect financial or other material Interest, it shall inform the Board Member or Officer of the basis for such belief and afford the Board Member or Officer an opportunity to explain the alleged failure to disclose.

(g) Managing Agent and Employees Covered by Policy. This policy shall also apply to the Condominium's Managing Agent and employees of the Condominium.

(h) Business Corporation Law § 713. Every calendar year prior to December 31st, every Director shall receive a copy of the then current version of BCL§713.

(i) Annual Disclosure Statement. Promptly following the adoption of this Policy, and thereafter, on an annual basis, not later than the fifth day of January of the following year, each Board Member and Officer shall acknowledge his or her familiarity with this policy, will confirm the receipt of BCL § 713 and shall disclose in writing to the Board any existing financial or other material Interests subject to this policy by completing a Conflict Of Interest Disclosure Statement. The Conflict Of Interest Disclosure Statements shall be retained in the confidential files of the Board.

ARTICLE 4
OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President must be members of the Condominium Board. Any one may hold multiple offices.

4.2 Election of Officers. The officers shall be elected annually by the Board at the organizational meetings thereof, except that the initial officers shall be elected by the initial Condominium Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 Vice President. The Vice President shall take the place of the President under whom he serves and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time

be imposed upon him or her by the Board or by the President.

4.6 Secretary. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any expenditure in excess of $2,500 by the Condominium Board must be countersigned by two members of the Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5
NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled

to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6
OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements shall be determined by the Condominium Board as set forth below. Common Expenses shall include all items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation), charges as set forth in the Plan ("Common Charges") to meet Common Expenses. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with sub metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof. In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount shall be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time the Declarant and each Unit Owner owned such Unit.

6.1.3 Except as otherwise provided in the Declaration or these By-Laws, all

alterations, additions, improvements, repairs, or replacements in or to any General or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such General or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense, to all Residential Unit Owners as a Residential Common Expense, to the Non-Residential Unit Owner as a Non-Residential Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board the cost of any addition or improvement would exceed $250,000 in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget or if required by Legal Requirements), then such proposed addition, or improvement shall not be made unless first approved by a Majority of Residential Unit Owners or a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid with respect to additions, or improvements made by the Condominium Board, as the case may be. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners. Notwithstanding the foregoing, repairs, alterations and replacements of existing Common Elements of the Building shall be made by the Board in the Board's own discretion without a Unit Owner vote regardless of the cost.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) "all risk" insurance with extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the Common Elements improvements and personal property belonging to the condominium, but excluding fixtures, furniture, furnishings or other personal property (contained in or a part of each Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i)

directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss affects only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, (ii) the Unit Owners, all officers, directors and employees thereof, and its managing agent or agents, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any insurance with respect to any furniture, furnishings, equipment or personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but

not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.2.8 Until payment of the debt under the mortgage executed by Declarant (the "Declarant's Mortgage") is made in full or until Declarant's Mortgage is assigned by Declarant's Mortgagee to Declarant's designee, whichever occurs first, the Board shall comply with the obligations of the Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.2.9 The insurance required to be maintained under this Section 6.2 shall meet the following criteria:

(a) No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability, property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (2) keep anything in its Unit or in the Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of this Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

(b) Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations under this Section 6.2. or by reason of any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a particular use of such Unit Owner's Unit, shall be assessed against and payable by such Unit Owner and be deemed a Unit Owner Expense. For all purposes hereunder, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

(c) Any blanket insurance policy required or permitted hereunder shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate policy insuring only the Property in compliance with the provisions of Section 6.2.1 above.

(d) All policies of physical damage insurance obtained by the Condominium Board and the Unit Owners shall contain, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or materially or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights as to each other.

(e) Except for workers compensation and New York Statutory Disability insurance coverages, all insurance maintained hereunder shall contain waivers of subrogation and the Condominium Board and the Unit Owners each hereby waive and agree that they shall make no claim for recovery against each other for damages to or loss of the Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein.

(f) All policies maintained by the Condominium Board shall acknowledge and provide that (a) all Unit Owners and Permitted Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit, (b) the Condominium Board is deemed a loss payee for casualty to a General Common Element or a Limited Common Element appurtenant to more than one but not all Units and (c) each Unit Owner is deemed a loss payee for casualty to its respective Limited Common Element exclusively appurtenant to such Unit. The Condominium Board shall provide a copy of all insurance policies to all Unit Owners and Permitted Mortgagees, at no cost to any Permitted Mortgagee, evidencing all required Condominium Board policy coverages and additional insured, loss payee or mortgagee status.

(g) Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by Law.

(h) The issuance of any insurance policy hereunder with respect to a Unit Owner's insurance coverage, shall not be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its work and the indemnification obligations set forth in this Declaration.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and seventy five percent (75%) or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board with respect to any damage to or destruction of the Common Elements, will arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a general Common Expense or profit, respectively, as provided in subsection 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 If seventy five (75%) or more of the Unit Owners agree not to repair and restore the Building, (a) the Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with Law, and otherwise make the Property and Building safe (all of the activities described in this clause (a) being defined as the "Safety Work") and (b) the Property shall be withdrawn from the provisions of the Condominium Act and shall be subject to an action for partition at the election of any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with any net insurance proceeds, shall be distributed into a trust fund for the benefit of the Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest (the "Casualty Distributions") and delivered to the Board, which in turn shall deposit the Casualty Distributions in a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed in accordance with the Unit Owner's Allocable Percentage (hereinafter defined). Notwithstanding anything to the contrary set forth herein, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. In the event the Building is repaired and restored as aforesaid, each Unit Owner hereby acknowledges and agrees that insurance proceeds will be first applied to such repair and restoration.

6.3.3 "Allocable Percentage" refers to each Unit Owner's allocable share of certain proceeds, expressed as a numerical percentage. The allocable percentage shall be based upon the relative estimated values of each Unit (rather than Common Interest) as determined by an appraiser. The appraisal shall be conducted in accordance with the appraisal procedures except that the cost of the appraiser(s) shall be borne by the Unit Owners.

6.3.4 Notwithstanding anything to the contrary set forth in Section 6.3.1: (i) if the first recognized mortgagee (i.e., the Declarant's Lender), at the time of a vote in connection with restoration after the occurrence of a Significant Casualty, does not require the payment of proceeds to the first recognized mortgagee, then that Unit Owner shall vote in favor of restoration, and

hereby gives an irrevocable proxy and power of attorney coupled with an interest to the to the other Unit Owner voting in favor of restoration to vote in favor of restoration (the "Restoration Proxy"); and (ii) in the event that (x) such first recognized mortgagee does require payment of proceeds and the Unit Owner votes not to restore, such that restoration is not required or (y) a Unit is not restored, a Unit Owner electing to restore shall have the right to purchase the non-electing Unit Owner's Unit for a price equal to the relative market value of the Unit at the time in question. Each Unit Owner will grant or will be deemed to have granted to the Condominium Board and other Unit Owners a Restoration Proxy upon acceptance of a deed to a Unit. The grant of such Restoration Proxy will run with the land (i.e. fee title to the respective Unit owned by each Unit Owner) and any subsequent conveyance of a Unit will not be deemed to terminate or revoke the Restoration Proxy.

6.3.5 As soon as reasonably practical after any fire or other casualty (but in no event more than sixty (60) days after such fire or other casualty), a certifying professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (i) a description of the damaged Common Elements and structural supports, and (ii) an estimate of the total costs of such repair or restoration of said Common Elements, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and necessary repair and restoration. To the extent that the Condominium Board and the Unit Owners are required to restore in accordance with the provisions herein, each Unit Owner shall be solely responsible for the costs of restoration to such Unit Owner's Unit. If the cost and expense of any repair and restoration to the Common Elements pursuant to the provisions herein shall exceed the amount of insurance proceeds, the excess cost and expense (or the entire amount of such cost and expense, if there are no insurance proceeds) shall be borne by each of the Unit Owners in proportion to their respective Allocable Percentage. Notwithstanding the foregoing, (1) to the extent the additional costs result from the acts or omissions of a Unit Owner, such Unit Owner shall be solely responsible for payment of the additional costs, and (2) if a Unit Owner fails to carry any insurance required under Section 6.2 (or otherwise cause its tenants or owners to maintain such coverage, as applicable), such Unit Owner shall be responsible for the payment of any restoration costs that would have been paid from the proceeds of such insurance. The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from "Unavoidable Delays" (that are not caused solely as a result of one or more Unit Owner's actions or inactions, in which case such Unit Owner(s) would bear the costs entirely and that do not affect more than one Unit) based upon the Unit Owners' Allocable Percentage. Each Unit Owner shall share in paying any insurance deductible with respect to the Common Elements only in accordance with the Unit Owner's Allocable Percentage and shall be fully responsible for any deductible with respect to insurance covering damage to the Unit itself.

6.3.6 The Insurance Trustee shall hold all insurance proceeds and shall be the disbursement agent therefor, except if the damage due to fire or other casualty is confined solely to one (1) Unit, without affecting any Common Elements or the other Unit or Units.

6.3.7 Upon completion of the repair and restoration in accordance with the provisions of these By-Laws and full payment therefor and for all costs in connection therewith, any excess insurance proceeds shall be distributed into a trust fund for the benefit of the Unit

Owners and deemed allocated amongst the Unit Owners in proportion to their respective Allocable Percentage (the "Casualty Excess Distributions") and delivered to the Condominium Board, which in turn shall deposit the Casualty Excess Distributions in a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed in accordance with the Unit Owner's Allocable Percentage, subject to the rights of any applicable recognized Mortgagee to receive such proceeds. In the event of a deficiency, in connection with the repair and restoration work as herein provided, if one of the Unit Owners failed to contribute to the deficiency, the amount of such deficiency, together with interest thereon at the Default Rate (hereinafter defined), shall be paid to the other Unit Owner to the extent advanced by such other Unit Owner (pro rata based on the amounts advanced by each such Unit Owner for such deficiency).

6.3.8 Except as set forth in Sections 6.3.1 through Section 6.3.4 above, the Condominium Board shall have the right to determine whether to restore the Building, regardless of whether or not any insurance proceeds are available.

6.3.9 For purposes herein, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration), consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses (including costs incurred by the Condominium Board) relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

6.3.10 If, as a result of a casualty, the total square footage of the Non-Residential Units or the Residential Unit, as applicable, changes, the Unit Owners shall promptly (x) adjust, as of the date of completion of the repairs and restoration required in connection with such casualty, the Unit Owners' Common Interests in the Condominium in a manner consistent with the allocation thereof in existence immediately following such casualty, and (y) prepare and record in the City Register's Office an amendment to the Declaration and/or these By-Laws, as appropriate, confirming such reallocation. If the Unit Owners do not agree on any of the matters referred to in the foregoing clauses (x) and (y) within forty five (45) days following completion of the repairs and restoration, they shall submit such issue to Arbitration to the extent permitted by Law.

6.3.11 In the event any build outs or other similar improvements to the interior of any of the Units and not Common Elements are damaged or destroyed by fire or other casualty, the affected Unit Owner, at its sole cost and expense (and whether or not insurance proceeds are available therefor), shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall, at its election, and at its sole cost and expense, either (i) repair and restore the space so damaged to a habitable and usable condition in compliance with the provisions of any existing leases and otherwise in compliance and conformity with applicable Legal Requirements, the Declaration, these By-Laws, and the standards generally applicable to similar Building in Brooklyn or (ii) restore such space to a safe and secure condition in compliance with applicable Legal Requirements and with complete and slightly demising walls, doors and exterior visible surfaces separating such space from any other space which is visible from outside of the damaged space, which shall include any appropriate aesthetic alterations to the exterior of such damaged space.

6.4 Payment of Common Charges.

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale or other conveyance by him or her (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, as the case may be, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All liens provided for in 6.4.2, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Notwithstanding 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

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

6.4.6 For the purposes of this subsection 6.3.6, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the ate that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.4.7 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner against such tenant for such rent.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty (30) days after the due date for payment thereof.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of one and one half percent (1.5%) per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section

339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 Maintenance and Repairs.

6.9.1 The Unit Owners shall take possession of their Units and their appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property, any Unit, or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, or anyone visiting, residing or working in the Unit, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 In the event of damage to the Unit by fire, casualty or a leak from

outside of the Unit, unless the Unit Owner caused the casualty, the Board shall repair the Unit, but the Unit Owner shall be responsible for its furniture, fixtures, personal property, wall and floor covering and other decorations. In the event the casualty was caused by the negligence or misconduct of the Unit Owner or anyone residing, visiting or working in the Unit, the Unit Owner shall be responsible for repairing the damage caused by the casualty.

6.9.2.3 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. Back Yards are Limited Common Elements. All normal maintenance, repairs and replacements of any Back Yard shall be made by the Unit Owner having access to such Back Yard at his or her own cost and expense, but any structural or extraordinary repairs or replacements to the land under the Back Yard to protect the Building shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. No structures may be placed on Back Yards without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Back Yards by said Unit Owners if the Condominium Board determines, in its reasonable discretion, that such installations adversely affect the integrity of the surface beneath the Back Yard. The Condominium Board may establish such other reasonable rules and regulations it deems necessary to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.4 The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his sole cost and expense.

6.9.2.5 The exterior of all front doors of Units shall not be painted or decorated other than in accordance with the standard for the Condominium.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Back Yard, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

6.9.4 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing, gas or electrical lines ("utility lines")

servicing the Unit or made any other repairs or replacements affecting the Unit or the Building (collectively "Renovations") and such windows, doors or utility lines require repair, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the utility lines running from the Unit to the riser in the event the Renovations or the item that was repaired or replaced require repair or replacement in the future or in the event any renovation adversely affect the Building.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement by the Condominium Board, together with interest thereon at the rate of two percent (2%) per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Alterations of any Unit shall not encroach or impinge on public areas of the Building. Any alterations of a common hallway by a Unit Owner shall only be made with the consent of the Board and each Unit Owner having a Unit adjacent to that hallway. Any consent to proposed alterations shall be subject to such terms and conditions as the Condominium Board shall impose, including the Unit Owner's execution of an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration may be made, including, without limitation the hours and days during which any alteration work may be performed, a per diem penalty for delays in completion of work beyond the time specified in the alteration agreement and the delivery of a security deposit (in an amount determined by the Board) to ensure compliance with the terms of the alteration agreement.

6.11.2 The Board shall not consent to any alteration until the Unit Owner cures any defaults under the Declaration, By-Laws or Rules and Regulations and pays such sums, to be fixed by the Condominium Board, to cover reasonable legal, architectural, engineering and other expenses of the Board and its managing agent in connection with such proposed alterations.

6.11.3 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board. The Board shall have the obligation to answer any

written request by Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Board may impose fees upon a Unit Owner to reimburse the Condominium for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this subsection 6.11.1, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto.

6.11.4 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.5 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board shall, if required by law or such department or authority, be executed by the Board or, provided that the Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.11.6 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent Certificate of Occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days

of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.7 Until such time as the initial construction of the building is complete, including the completion of "punch list" work, neither the Board nor the Unit Owner shall use or suffer to be used in any part of the Buildings any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Buildings.

6.12 Alterations, Additions, Improvements, Repairs or Replacements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs or replacements in or to any Common Element or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Whenever in the judgment of the Condominium Board, the cost of any alteration, addition, or improvement would exceed $250,000 in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners. Structural and non-structural repairs, replacements or maintenance of all or part of the Common Elements shall be made by the Board in its own discretion without a Unit vote regardless of the cost.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such thirty (30) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party

unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used as described below.

6.14.1.1 A Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing.

6.14.1.2 A Unit may be used for any purpose permitted by law, provided such use (1) does not violate the then existing Certificate of Occupancy for such Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Units, and (3) complies with all applicable governmental regulations.

6.14.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.14.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

6.14.1.5 Smoking shall not be permitted anywhere on the Property including in Residential Units and in Back Yards. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium (including legal fees) in enforcing this provision.

6.14.2 Notwithstanding the provisions of subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose, provided such use is permitted by law, does not violate the Deed Restrictions, does not violate the then existing Certificate of Occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental laws and regulations.

6.14.3 The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph 6.14.1.

6.15 Use of Common Elements.

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas or storage bins, without the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 Other Provisions as to Use.

6.16.1 No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Units to any

party(ies).

6.16.4 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of hazardous materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.17 Right of Access.

6.17.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the managing agents, managers, Superintendent and/or any other person authorized by any of the foregoing. A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements and the Limited Common Elements to Declarant and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In an emergency, in the event the Condominium incurs any expense as a result of a Unit Owner's failure to provide access to the Unit or if access is otherwise impeded or the Unit Owner has failed to leave a full set of the Unit's keys with the Condominium's personnel at the Building, the Unit Owner shall reimburse the Condominium for the Condominium's costs in obtaining access including without limitation the cost of a locksmith.

6.18 Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners.

6.19 Real Estate Taxes, Water Charges and Sewer Rents.

6.19.1 Water and sewer services shall be supplied to and for all of the Units and

the Limited Common Elements through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered.

6.19.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Declarant if Declarant has paid such taxes) and allocate the cost thereof among the individual Units, in proportion to the Units' percentage interests in the Common Elements as set forth in Schedule A of the Offering Plan. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium or any Unit. If Declarant fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium and/or any other Unit, Declarant will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.19.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.19.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.20 Heat. Heat for the Building shall be supplied by boilers and the charges therefor shall be paid by the Condominium Board. The costs incurred by the Condominium Board shall be allocated to the Unit Owners as a Common Charge. Until such time as the Units are submetered, the cost of steam shall be allocated as set forth in "Schedule B-Projected Budget for First Year of Condominium Operation" in Part I of the Plan.

6.21 Gas. Gas for the Condominium will be supplied from the National Grid gas

distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Condominium will be borne by the Unit Owners as a Common Charge.

6.22 Electricity.

6.22.1 Electricity for each Unit shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Condominium, through one or more electrical meters and that the cost thereof be borne by each Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit (or portion thereof) directly to the utility company, except that in the event that the Condominium Board has elected to sub-meter electricity to each Unit, then in such event each such Unit Owner shall be required to pay bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board.

6.22.2 In the event the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.22.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within thirty (30) days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to Arbitration proceedings which shall be conducted in accordance with the rules of the JAMS. The cost of such Arbitration shall be paid by the Condominium Board. JAMS shall be asked to appoint the arbitrator.

6.22.4 The arbitrator shall be obliged to provide a full and fair hearing within fifteen (15) days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within ten (10) days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least 3 years from the date the complaint is first brought.

6.22.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an Arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make

any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.22.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company.

6.22.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.23 Utilities Serving the Common Elements. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any Common Element shall be considered part of the expense of maintaining such Common Element.

6.24 Abatement and Enjoinment of Violations by Unit Owners.

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit, Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.25 Reimbursement of Condominium Expenses. A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

ARTICLE 7
MORTGAGES

7.1 Notice to the Board. A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws or the Rules and Regulations which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.3 Performance by Permitted Mortgagees. The Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than twice a year.

7.5 Representatives of Mortgagees.

7.5.1 In the manner more particularly set forth in subsection 7.5.2, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, as appropriate, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the term and "Institutional Mortgage" means an Institutional Mortgage (defined below) covering a Unit or Units. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages, shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

7.7 Rights of Permitted Mortgagees and Rights of Guarantors of a Mortgage.

7.7.1 Each Permitted Mortgagee and the guarantor of the mortgage on any Unit (a "Mortgagee") in the Condominium shall be given written notice within ten (10) days of:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Mortgagee's mortgage;

(b) Any 60-day delinquency in the payment of assessments or common charges owed by the owner of any Unit on which the Mortgagee holds the mortgage;

(c) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium or the Board unless said policy is simultaneously replaced; and

(d) Any proposed action that requires the consent of the holders of a specified percentage of mortgages.

7.7.2 A Permitted Mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Units unpaid regularly budgeted Common Charges accrued before the acquisition of title to the Unit by the Permitted Mortgagee. If the Condominium Board's or Residential Board's lien priority includes costs of collecting the unpaid Common Charges, the lender will be liable for any fees or costs related to the collection of the unpaid Common Charges.

7.7.3 No provision in these By-Laws shall give a Unit Owner or any other party priority over the rights of the first mortgagee of the Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or taking a Unit and/or Common Elements.

7.7.4 Any amendment to these By-Laws of a material nature to Permitted

Mortgagees shall be agreed to by mortgagees that represent at least 51% of the common interests that are subject to mortgages.

7.7.5 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees that represent at least fifty one (51%) of the common interests that are subject to mortgages.

7.7.6 Implied approval shall be assumed when a Mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after the Mortgagee receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

7.7.7 The right of first refusal contained in Article 8 hereof will not adversely affect the rights of a mortgagee or its assignee to: a) foreclose or take title to a Unit pursuant to the remedies in the mortgage; b) accept a deed or assignment in lieu of foreclosure in the event of a default by a mortgagor; or c) sell or lease a Unit acquired by the mortgagee or its assignee.

ARTICLE 8
SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Residential Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 (a) Any Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board of the acceptance of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended Closing Date in the event of a purchase or intended occupancy dates in the event of a lease), a copy of the fully executed purchase and sale agreement or other transfer agreement or the lease or other occupancy agreement, as the case may be, (the "Residential Unit Lease" or "Transfer Agreement") the completed purchase or lease application in the Condominium's standard form, and such other information as the Board may reasonably require.

(b) The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Residential Unit Owner to sell his or her Residential Unit together with its appurtenant Common Interest or to lease his or her Residential Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Residential Unit Owner to the Board acting on behalf of all Unit Owners that such Residential Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may

reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

(c) Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing, the lessee or anyone residing with them has been convicted of a violent crime or child molestation in which event the Board shall not be required to exercise the right of first refusal and the Residential Unit Lease or Transfer Agreement shall be void ab initio.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within forty five (45) days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the Closing Date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than forty five (45) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in subsection 8.1.1 as the intended Closing Date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Residential Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the Closing Date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and

the Board, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional sixty (60) days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated within an additional sixty (60) days following the expiration of such sixty (60) day period, then, should such Offeree Unit Owner thereafter elect to sell such Residential Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the sixty (60) day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the term of the lease shall not be shorter than thirty (30) days, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Condominium Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee) or the Non-Residential Units. Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, as the case may be, without having to first offer the same for sale or lease

to the Board.

8.1.8 On the closing of the transfer or sale of each Unit, the purchaser or transferee shall make a non-refundable contribution to the Condominium Working Capital Fund equal to two month's common charges.

8.1.9 Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges. Notwithstanding anything contained in this Article 8 to the contrary, the Residential members of the Condominium Board shall have the right to reject the purchase or lease of a Residential Unit without the necessity of exercising a right of first refusal if the Purchaser or lessee of a Residential Unit or a person who will be residing in their unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

8.1.10 In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's Closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's Closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Condominium Board. The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner consent shall not be required. However, the Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Condominium Board of Right of First Refusal. The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner

provided in 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of subsection 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed by an officer of the Condominium stating that the provisions of subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to subsection 8.1.3), shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of subsection 8.1.1 have, in fact, terminated.

8.6 Financing of Purchase of Units by Condominium Board; Use of Proceeds Upon Sale. The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s). In the event the Condominium Board sells a Unit, the proceeds of such sale shall be placed into a reserve fund established by, and used in the discretion of, the Condominium Board.

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant, its designee or the owner of an Unsold Unit, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. The term "Affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 Unauthorized Sales or Leases of Units. Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Condominium Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 Charges Imposed on Sale or Lease of Units. The Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to or from Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units (that are not Unsold Units) shall also pay to the Condominium Board two months common charges as a non-refundable contribution to working capital.

8.11 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City Register's Office, the Unit Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 Notices Concerning Unit Occupancy. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 Mortgage of Units. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage

covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 Transfer of Units to Trusts and Other Entities. No Unit shall be transferred to a trust or any other entity unless the Condominium Board receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

ARTICLE 9
CONDEMNATION

9.1 In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements or Limited Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements or Limited Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit and Owners with respect to any taking of the Common Elements pro rata, as follows: first, to the Unit Owners in accordance with their respective Common Interests; thereafter, the Board shall allocate such deficit or surplus, as the case may be, pro rata, to the Unit Owners, in accordance with their respective Common Interests; (b) borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata in accordance with their Common Interests; and (c) borne and shared by all Unit Owners having exclusive access to the Limited Common Elements pro rata in accordance with their respective interest in such Limited Common Interests.

9.2 Notwithstanding any provisions contained in Section 9.1 to the contrary, in the event that seventy-five (75%) or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of their respective Common Elements, then such repairs or restorations of the Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners based on each Unit's Allocable Percentage of such award, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than sixty (60) days from the date of such taking.

ARTICLE 10
RECORDS AND AUDITS

10.1 Records. The Board or the Managing Agent for the Board, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these by-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

10.4 Unit Owner Privacy. Notwithstanding anything contained herein to the contrary, in order to maintain the privacy of the Unit Owners, in the event a Unit Owner provides the Managing Agent with the Unit Owner's email address, telephone number or an address other than the Building, neither the Board nor the Managing Agent shall disclose it without the prior written consent of the Unit Owner.

ARTICLE 11
ARBITRATION

11.1 General Procedure. All disputes between Unit Owners and any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by JAMS or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that JAMS is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five members.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of his counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any

Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

11.4 JAMS. The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

11.5 Confidentiality. The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the Arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

ARTICLE 12
MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References.

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof", "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.3.4 Unless otherwise expressly stated herein to the contrary all references

herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the First Closing, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefore reasonably selected by the Board.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board, stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

12.8 Indemnity. In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, the Unit Owner shall indemnify the Board and save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

ARTICLE 13
AMENDMENT TO BY-LAWS

13.1 Amendments by Unit Owners. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is

hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any.

13.2 Scrivener Errors. Notwithstanding anything to the contrary contained herein or in the Declaration, the Condominium Board may amend these By-Laws without the consent of any Unit Owner or recognized mortgagee, but upon at least ten (10) days written notice to the Unit Owner and recognized mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

13.3 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.3 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

ARTICLE 14
CERTAIN DAMAGES

14.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 6 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required

to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 Abatement and Enjoinment.

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

14.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

14.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 14.1 or paragraph (A) of Section 14.2 hereof or (ii) Declarant in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 14.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 Liability for Litigation Costs. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A
RULES AND REGULATIONS

(1) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Condominium Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.

(3) Neither occupants nor their guests shall play in the entrances, passages, public halls, vestibules, corridors, stairways or fire towers of the Condominium.

(4) No public hall or public vestibule of the Condominium shall be decorated or furnished by any Condominium Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto (including the surface of any Back Yard appurtenant to a Unit) in a good state of preservation and cleanliness. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Back Yard shall be within the reasonable discretion of the Condominium Board.

(6) No window guards or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations

of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in areas other than the areas designated by the Condominium Board or the managing agent of the Condominium for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Condominium. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

(12) No more than (2) pets shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Condominium shall use the entrances designated by the Condominium Board or the managing agent of the Condominium for that purpose, for ingress and egress, and shall not use any of the other entrances for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Unit Owners or their guests or tenants may use any of the other entrances when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the entrances freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the

resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the entrances designated by the Condominium Board or the managing agent of the Condominium for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium and in any common area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Condominium Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Condominium Board or the managing agent of the Condominium may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the managing agent of the Condominium.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

(25) Unit Owners will faithfully observe the following procedures with respect to the use of the compactor; (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the managing agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the managing agent of the Condominium shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Unit or in the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any

law. No waste shall be committed in the Common Elements or Limited Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the managing agent of the Condominium.

(33) In the event that any Unit is used for home occupation purposes which are permitted by law and the by-laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Units, in their Limited Common Elements (including Back Yards), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

(36) The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Back Yards other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the Back Yards or the Roof of the Building shall be anchored. No plantings, structures or installations may be placed on the Back Yards without the prior written approval of the Condominium Board.

(38) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

EXHIBIT "11"

SECTION 352-eeee OF THE GENERAL BUSINESS LAW

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§ 352-eeee. Conversions to cooperative or condominium ownership in the city of New York.

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifty-one percent of all dwelling units in the building or group of buildings or development by bona fide tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing. The purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, submitted prior to the effective date of the chapter of the laws of two thousand nineteen that amended this section, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from

subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the plan is submitted to the department of law or on the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifty-one percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy on the date a letter was issued by the attorney general accepting the plan for filing for which purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or

occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(viii) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for

filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(ix) The plan may not be amended at any time to provide that it shall be an eviction plan.

(x) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(xi) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(xii) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he or she has, in writing, waived his or her right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any

exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (xi) of paragraph (c) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state

of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The attorney general is hereby authorized and empowered to adopt, promulgate, amend and rescind suitable rules and regulations to carry out the provisions of this section, including issuing waivers of the requirements of this section to the extent the requirements would not carry out the intent of this section or the Martin Act.

8. The provisions of this section shall only be applicable in the city of New York.

EXHIBIT "12"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPAL OF SPONSOR

Jan 5, 2023/4 HB

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

Re: The Portland Condominium
104-112 South Portland Avenue, Brooklyn, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 23 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

SPONSOR:

Fulton Street Associates Limited Partnership

By: _____
Name: Hesky Brahimy
Title: Principal

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

On the 5 day in January the year ~~2023~~ 2024 before me personally appeared Hesky Brahimy, ~~personally known to me or~~ proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/~~s~~he executed the same in his/~~her~~ capacity, and that by his/~~her~~ signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Charles Segure

CHARLES E. SEGURE, JR.
Notary Public - State Of New York
No. 01SE6136197
Qualified in Kings County
My Commission Expires November 21, 2025

SPONSOR'S PRINCIPAL:

STATE OF NEW YORK
COUNTY OF KINGS

Sworn to me this 5 day

of January, 2025

Notary Public

CHARLES E. SEGURE, JR.
Notary Public - State Of New York
No. 01SE6136197
Qualified in Kings County
My Commission Expires November 21, 2025

Name: Hesky Brahimy

STATE OF NEW YORK
COUNTY OF KINGS

Sworn to me this 5 day

of January, 2025

Notary Public

CHARLES E. SEGURE, JR.
Notary Public - State Of New York
No. 01SE6136197
Qualified in Kings County
My Commission Expires November 21, 2025

Name: Samy Brahimy

STATE OF NEW YORK
COUNTY OF KINGS

Sworn to me this 5 day

of January, 2025

Notary Public

CHARLES E. SEGURE, JR.
Notary Public - State Of New York
No. 01SE6136197
Qualified in Kings County
My Commission Expires November 21, 2025

Name: James Wagman

3/3

EXHIBIT "13"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION BY ARCHITECT / ENGINEER

July 15, 2025

State of New York
Department of Law
28 Liberty Street
New York, New York 10005

Re: The Portland Condominium

104-112 South Portland Avenue, Brooklyn, New York

To whom it may concern:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report disclosing the condition of the property (the "Report"). We visually inspected the property on March 30th, 2023, and prepared the Report dated August 14th, 2023 a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are registered architects in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in 13 NYCRR Part 23 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernable from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

(viii) it is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Design AIDD Architecture, DPC
Name: Andrea Harris, AIA
Title: President

Sworn to before me this 15th
day of July, 2025

Notary Public

HUSAIN TARIQ
STATE OF NEW YORK
NOTARY PUBLIC
Qualified in Queens County
01HU6417202
MY COMMISSION EXPIRES 11-13-2025

#194620447_v1

EXHIBIT "14"

(a) CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

(b) CERTIFICATIONS OF SPONSOR'S EXPERT

CONCERNING THE OF ADEQUACY COMMON

CHARGES PAYABLE BY NON-RESIDENTIAL UNIT OWNERS

D & D MANAGEMENT SERVICES CORP.
6725 13th AVENUE
BROOKLYN, NEW YORK 11219
EMAIL: ddmsc.dorina@gmail.com
Tel: 718-238-9879
Fax: 1-888-399-9554

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

January 8, 2025

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

Re: The Portland Condominium
104-114 South Portland Avenue & 680-686 Fulton Street
Brooklyn, New York

To Whom it May Concern:

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B and the footnotes thereto, containing the projected income and expenses for the first year of condominium operation. I have been engaged in the management of residential real estate for more than twenty-five years, and presently manage fifty condominium or cooperative apartment buildings in New York City.

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

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

We certify that the projection in Schedule B appears 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 Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

D & D MANAGEMENT SERVICES CORP.
6725 13th AVENUE
BROOKLYN, NEW YORK 11219
EMAIL: ddmsc.dorina@gmail.com
Tel: 718-238-9879
Fax: 1-888-399-9554

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

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

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

Very truly yours,

By _____
Name: Dorina Miletic-Guljas
Title: Licensed Real Estate Broker

Sworn to before me this 8
day of January, 2025

_____
Notary Public

FRANCESCA SALATTI
Notary Public, State of New York
Reg. No. 01SA6365182
Qualified in Kings County
Commission Expires 10/2/2026

D & D MANAGEMENT SERVICES CORP.
6725 13th AVENUE
BROOKLYN, NEW YORK 11219
EMAIL: ddmsc.dorina@gmail.com
Tel: 718-238-9879
Fax: 1-888-399-9554

CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

January 8, 2025

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

Re: The Portland Condominium
104-114 South Portland Avenue & 680-686 Fulton Street
Brooklyn, New York

To Whom it May Concern:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and the footnotes thereto, which includes projections of common charges payable by the owners of the commercial units. We have had experience in this field for over twenty-five years in the New York metropolitan area and we are experienced in the management of residential properties. The company currently manages approximately fifty condominium or cooperative apartment buildings in New York City.

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

We have reviewed the Schedule as it impacts up on the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owner of the commercial units appears reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(i) set forth in detail the projected common charges for the commercial units for the first year of condominium operation;

D & D MANAGEMENT SERVICES CORP.
6725 13th AVENUE
BROOKLYN, NEW YORK 11219
EMAIL: ddmsc.dorina@gmail.com
Tel: 718-238-9879
Fax: 1-888-399-9554

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

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

Very truly yours,

By _____
Name: Dorina Miletic-Guljas
Title: Licensed Real Estate Broker

Sworn to before me this 8
day of January, 2025

_____
Notary Public

FRANCESCA SALATTI
Notary Public, State of New York
Reg. No. 01SA6365182
Qualified in Kings County
Commission Expires 10/2/2025

EXHIBIT "15"

FORM W-9

REQUEST FOR TAXPAYER IDENTIFICATION

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

☐☐☐ – ☐☐ – ☐☐☐☐

or

Employer identification number

☐☐ – ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** **Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

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EXHIBIT "16"

FORM W-8

CERTIFICATE OF FOREIGN STATUS

Form **W-8BEN**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the United States (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (that is, a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6a Foreign tax identifying number (see instructions)

6b Check if FTIN not legally required ☐

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income or proceeds to which this form relates or am using this form to document myself for chapter 4 purposes;
- The person named on line 1 of this form is not a U.S. person;
- This form relates to:
  - (a) income not effectively connected with the conduct of a trade or business in the United States;
  - (b) income effectively connected with the conduct of a trade or business in the United States but is not subject to tax under an applicable income tax treaty;
  - (c) the partner's share of a partnership's effectively connected taxable income; or
  - (d) the partner's amount realized from the transfer of a partnership interest subject to withholding under section 1446(f);
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country; and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶ ☐ I certify that I have the capacity to sign for the person identified on line 1 of this form.

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 25047Z

Form **W-8BEN** (Rev. 10-2021)

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EXHIBIT "17"

PROPERTY DEED

Standard N.Y.B.T.U. Form 8001 9-82 5M — Bargain and Sale Deed, without Covenant against Grantor's Acts — Individual or Corporation (single sheet)

REEL 1426 PAGE 252

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT—THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY.

600

THIS INDENTURE, made the 18th day of August, nineteen hundred and eighty three

BETWEEN PIMLICO REALTY CO., INC., a New York corporation having its principal place of business at 130 East 57th Street, New York, NY 10022,

party of the first part, **and** FULTON STREET ASSOCIATES, a New York limited partnership, having its principal place of business c/o BRAHIMY INTERNATIONAL, 165 Claremont Avenue, Brooklyn, NY 11205,

party of the second part,

WITNESSETH, that the party of the first part, in consideration of ten dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a corner formed by the intersection of the southwesterly side of Fulton Street with the westerly side of South Portland Avenue;

Running thence southerly, along the westerly side of South Portland Avenue, 93 feet 1-3/4 inches;

thence westerly, parallel with Hanson Place, and part of the distance through a party wall, 100 feet;

thence northerly, parallel with South Portland Avenue, 75 feet 6 inches to a point where the same would be intersected by a line drawn at right angles to Fulton Street from a point therein distant 70 feet northwesterly from the corner formed by the intersection of the southwesterly side of Fulton Street with the westerly side of South Portland Avenue;

thence northeasterly at right angles to said Fulton Street and part of the distance through a party wall, 73 feet 6-1/4 inches to the southwesterly side of Fulton Street, and

thence southeasterly, along the southwesterly side of Fulton Street, 70 feet to the corner, the point or place of BEGINNING.

SAID PREMISES known as 680-686 Fulton Street, a/k/a 106-114 South Portland Avenue, Brooklyn, NY.

TAX MAP DESIGNATION

This conveyance has been made with the unanimous consent in writing of all of the stockholders of the party of the first part.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

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

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

PIMLICO REALTY CO., INC.

By _____ Vice Pres.

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REEL 1426 PAGE 253

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19 , before me personally came

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19 , before me personally came

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

STATE OF NEW YORK, COUNTY OF NEW YORK ss:

On the 18th day of August 1983, before me personally came Joseph P. [illegible]

to me known, who, being by me duly sworn, did depose and say that he resides at No. 203 [illegible] Street

Rockville Ctr, N.Y.

that he is the Vice President

of PIMLICO REALTY CO., INC.

, the corporation described in and which executed the foregoing instrument; ~~that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal~~; that it was so ~~affixed~~ by order of the board of directors of said corporation, and that he signed his name thereto by like order.

John J. Mullaney

JOHN J. MULLANEY, State of New York
Notary Public, Qualified Nassau County
32-5051900
My Commission Expires [illegible]

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19 , before me personally came

the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at No.

that he knows

to be the individual described in and who executed the foregoing instrument, that he, said subscribing witness, was present and saw execute the same; and that he, said witness, at the same time subscribed his name as witness thereto.

Bargain and Sale Deed

WITHOUT COVENANT AGAINST GRANTOR'S ACTS

TITLE NO. 3PK 101361

PIMLICO REALTY CO., INC.

TO

FULTON STREET ASSOCIATES

SECTION 7
BLOCK 2114
LOT 23
COUNTY OR TOWN Kings
STREET ADDRESS 680-686 Fulton St., a/k/a
TAX BILLING ADDRESS 106-114 South Portland Avenue, Brooklyn, NY

Recorded At Request of The Title Guarantee Company

RETURN BY MAIL TO

MORTON PEARLMAN, ESQ.
11 Park Place
New York, NY 10007

Zip No

STANDARD FORM OF NEW YORK BOARD OF TITLE UNDERWRITERS

Distributed by

TITLE GUARANTEE-NEW YORK

A TICOR COMPANY

25146

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

1983 SEP -6 AM 11:42

OFFICE OF CITY REGISTER
Kings County
RECORDED
Witness my hand
and official seal

CITY REGISTER

RECEIVED
$ [illegible]
REAL ESTATE
SEP 6 1983
TRANSFER TAX
KINGS COUNTY
1369

REC. FEE
SST &
2IT # 12312

EXHIBIT "18"

RESERVE FUND LAW

LOCAL LAW 70

To amend the administrative code of the city of New York, in relation to the conversion of residential rental housing to cooperative or condominium ownership.

Be it enacted by the Council as follows:

Section 1. Legislative Declaration. The council finds that the protection of the health, safety and welfare of persons within the city who reside in residential buildings being converted from rental status to cooperative or condominium ownership requires that such persons be informed of the physical condition of such buildings and of any outstanding notices of code violations issued with respect to such buildings. The council further finds that for the health, safety and welfare of residents of the city and for the preservation and improvement of this substantial and increasing form of housing accommodation it is essential that funds be set aside for the purpose of making capital repairs, replacements and improvements to such buildings.

Section 2 Chapter fifty-one of the administrative code of the city of New York is amended by adding a new title YYYY to read as follows:

TITLE YYYY

COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ YYYY51-1.0 Application.

The provisions of this title shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state department of law pursuant to section three hundred fifty-two-eeee of the general business law.

§ YYYY51-2.0 Definitions.

As used in this title the following words shall mean:

a. "Building"-any building, group of buildings or development.

b. "Total Price"-

(1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made;

(2) with respect to condominium conversions, the sum of the cost of all Apartments in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

c. "Capital replacement" - a building-wide replacement of a major component of any of the following systems:

(1) elevator;

(2) heating, ventilation and air conditioning;

(3) plumbing;

(4) wiring;

(5) windows;

or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" - the offeror, his nominees, assignees and successors in interest.

§ YYYY51-3.0 Establishment of reserve fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or cooperative board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state attorney general, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either (i) three per cent of the total price or, (ii) (A) three per cent of the actual sales price of all cooperative shares or condominium Apartments sold by the offeror at the time the plan is declared effective, provided, however, that if such amount is less than one per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent of the actual sales price of cooperative shares or condominium Apartments for each Apartment or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within 5 years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three per cent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent of the total price. Supplemental contributions shall be made within 30 days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he has begun after the plan is submitted for filing to the state department of law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed

the lesser of the actual cost of the capital replacements or one per cent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ YYYY51-4.0 Report on status of reserve fund.

The cooperative corporation or cooperative board of managers shall report to shareholders and Shareholders on a semi-anneal basis with respect to all deposits into and withdrawals from the reserve fund mandated by section YYYY51-3.0.

§ YYYYS51-5.0 Posting of violations.

The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state department of law pursuant to section three hundred fifty-two-eeee of the general business law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the department of buildings and the department of housing preservation and development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§ YYYY51-6.0 Report on condition of premises.

Where, pursuant to law or regulation of the state attorney general, an offeror is required to file a report with the state department of law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ YYYY51-7.0 No waiver of rights.

Any provision purporting to waive the provisions of this title in any contract to purchase or agreement between an offeror and the cooperative corporation or the cooperative board of managers pursuant to a conversion plan shall be void as against public policy.

§ YYYY51-8.0 Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this title shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this title shall be subject to a civil penalty of one hundred dollars per day per Apartment for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per Apartment.

b. Any person who knowingly violates or assists in the violation of section YYYY 51-3.0 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section YYYY 51-3.0 which was not so reserved. Any person who violates or assists in the violation of section YYYY 51-3.0 shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section YYYY 51-3.0 is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section YYYY 51-3.0.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this title may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this title, mandating compliance with the provisions of this title or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction, or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this title, mandating compliance with the provisions of this title, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium Apartments.

e. The department of housing preservation and development is empowered to enforce the provisions of this title.

Section 3. If any provision of this local law or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of this local law and the applicability of such provision to any other person or circumstances shall not be affected thereby.

Section 4. This local law shall take effect February first nineteen hundred eighty-three and shall apply to all plans not yet accepted for filing by the state department of law pursuant to section three hundred fifty-two eeee of the general business law as of that date.

EXHIBIT "19"

REAL PROPERTY LAW §339-kk

SECTION 339-kk OF REAL PROPERTY LAW

(a) For 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 provided 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 the board received 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 rent.

EXHIBIT "20"

SPECIMEN TITLE POLICY

First American Title™	Loan Policy of Title Insurance ISSUED BY **First American Title Insurance Company**
Loan Policy	POLICY NUMBER SAMPLE

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, **FIRST AMERICAN TITLE INSURANCE COMPANY**, a Nebraska corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

For Reference:

File #:
Loan #: NA

Issued By:

Ridge Abstract Corp.
9201 4th Avenue, Suite 502
Brooklyn, NY 11209

(This Policy is valid only when Schedules A and B are attached)

This jacket was created electronically and constitutes an original document

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SAMPLE

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
   (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
   (b) failure of any person or Entity to have authorized a transfer or conveyance;
   (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
   (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
   (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
   (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
   (g) a defective judicial or administrative proceeding.
10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
    (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
        (i) contracted for or commenced on or before Date of Policy; or
        (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
    (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
    (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
    (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
        (i) to be timely, or
        (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
       (i) the occupancy, use, or enjoyment of the Land;
       (ii) the character, dimensions, or location of any improvement erected on the Land;
       (iii) the subdivision of land; or
       (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant

SAMPLE

became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;

(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or

(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is

(a) a fraudulent conveyance or fraudulent transfer, or

(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of

(i) the amount of the principal disbursed as of Date of Policy;

(ii) the amount of the principal disbursed subsequent to Date of Policy;

(iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;

(iv) interest on the loan;

(v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;

(vi) the expenses of foreclosure and any other costs of enforcement;

(vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;

(viii) the amounts to pay taxes and insurance; and

(ix) the reasonable amounts expended to prevent deterioration of improvements;

but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.

(e) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is obligor under the provisions of Section 12(c) of these Conditions;

(B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;

(C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(D) successors to an Insured by its conversion to another kind of Entity;

(E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured, or

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;

(F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;

(ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy.

(f) "Insured Claimant": An Insured claiming loss or damage.

(g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.

(h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

SAMPLE

(k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": The estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action.

It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS;

SAMPLE

TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance,

(ii) the Indebtedness,

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

(a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

SAMPLE

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond, and the obligor will not be an Insured under this policy.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

15. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at **First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707. Phone: 888-632-1642.**

First American Title Insurance Company

OWNER'S POLICY OF TITLE INSURANCE

SCHEDULE A

Name and Address of Title Insurance Company:
First American Title Insurance Company
1 First American Way
Santa Ana, CA 92707

Title No.: RAC9378-K-CONDO **Policy No.: Owner Policy: Proforma**
Address Reference: 686 Fulton Street, Brooklyn, NY 11217
Amount of Insurance: $0.00
Date of Policy:

1. **Name of Insured:**

   tbd

2. **The estate or interest in the Land that is insured by this Policy is:**

   Fee Simple

3. **Title is vested in:**

   tbd, by Deed dated //, and to be duly recorded in the Office of the Kings County Register.

4. **The land referred to in this Policy is described as follows:**

   SEE SCHEDULE "A" (CONTINUED) ATTACHED HEREWITH AND MADE PART HEREOF

First American Title Insurance Company

Christopher Beck
Authorized Officer or Agent

Issued by
Ridge Abstract Corp.
440 89th Street, 5th fl
Brooklyn, New York 11209
718-338-0065 / 516-373-2576 Fax: 718-692-3767

OWNER'S POLICY OF TITLE INSURANCE

SCHEDULE A (Continued)

LEGAL DESCRIPTION

Title No.: RAC9378-K-CONDO **Policy No.: Owner Policy: Proforma**

BLOCK 2114 P/O LOT 23 NEW LOT TBD ON THE TAX MAP OF KINGS COUNTY

ALL that certain plot, piece or parcel of real property, situate and being a part of a condominium in Kings County, State of New York, known and designated as Unit No. ____, together with an undivided _____% interest in the common elements defined in the Declaration of Condominium entitled "_____", establishing a plan for condominium ownership of the land and buildings thereon erected, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York dated _____ and recorded in the Office of the Register of the County of _____ on the ____ day of _____, 20__ in CRFN #_____ . The Unit is also described and designated as Block _____, Lot _____ in the Tax Assessor's Office in the County of Queens.

The land is bounded and described as follows:

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING al a corner formed by the intersection of the southwesterly side of Fulton Street with the westerly side of South Portland Avenue;

RUNNING THENCE southerly, along the westerly side of South Portland Avenue, 93 feet, 1-3/4 inches;

THENCE westerly, parallel with Hanson Place, and part of the distance through a party wall, 100 feet;

THENCE northerly, parallel with South Portland Avenue, 75 feet 6 inches to a point where the same would be intersected by a line drawn at right angles to Fulton Street from a point therein distant 70 feet northwesterly from the corner formed by the intersection of the southwesterly side of Fulton Street with the westerly side of South Portland Avenue;

THENCE northeasterly at right angles to said Fulton Street and part of the distance through a party wall, 73 feet 6-1/4 inches to the southwesterly side of Fulton Street; and

THENCE southeasterly, along the southwesterly side of Fulton Street, 70 feet to the corner, the paint or place of BEGINNING.

For Information Only:
Said Premise being known as 686 Fulton Street, Brooklyn, NY 11217.

Section: 7, Tax Block: 2114, Lot: 23

First American Title Insurance Company

OWNER'S POLICY OF TITLE INSURANCE

SCHEDULE B

Title No.: RAC9378-K-CONDO **Policy No.: Owner Policy: Proforma**

EXCEPTIONS FROM COVERAGE

Notwithstanding any provision of the policy to the contrary, the following matters are expressly excepted from the coverage of the policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. Covenants, conditions, easements, leases, agreements of record, etc. more fully set forth herein.

   a) Party Wall Agreement in Liber 1206 Page 299

   b) Railroad Consent in Liber 2215 Page 547

   c) Railroad Consent in Liber 3167 Page 57

   d) Subway Stair Consent in Liber 5107 Page 241
2. Policy will except to the terms and conditions set forth in the Declaration of Condominium and By-Laws dated _____ recorded in the _____ County Clerk's Office in _____ on _____ but policy will insure against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law as amended.
3. With respect to Condominium Unit No. _____, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.
4. Rights of tenants or persons in possession.

First American Title™

TIRSA STANDARD ENDORSEMENT (7/1/12)

Attached to: **Owner Policy: Proforma**

File No.: **RAC9378-K-CONDO**

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: Closing Date

Christopher Beck
Authorized Officer or Agent

Issued by
Ridge Abstract Corp.
440 89th Street, 5th fl
Brooklyn, New York 11209
718-338-0065 / 516-373-2576 Fax: 718-692-3767

First American Title Insurance Company

Kenneth D. DeGiorgio, President

Greg L. Smith, Secretary

First American Title™

TIRSA POLICY AUTHENTICATION ENDORSEMENT (6/24/16)

Attached to: **Owner Policy: Proforma**

File No.: **RAC9378-K-CONDO**

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: Closing Date

Christopher Beck
Authorized Officer or Agent

Issued by
Ridge Abstract Corp.
440 89th Street, 5th fl
Brooklyn, New York 11209
718-338-0065 / 516-373-2576 Fax: 718-692-3767

First American Title Insurance Company

Kenneth D. DeGiorgio, President

Greg L. Smith, Secretary

First American Title™

CONDOMINIUM ENDORSEMENT
-NEW YORK-

Attached to and made a part of Policy No.: Proforma

File No.: RAC9378-K-CONDO

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

Dated:

Christopher Beck
Authorized Officer or Agent

Issued by
Ridge Abstract Corp.
440 89th Street, 5th fl
Brooklyn, New York 11209
718-338-0065 / 516-373-2576 Fax: 718-692-3767

First American Title Insurance Company

Kenneth D. DeGiorgio, President

Greg L. Smith, Secretary

EXHIBIT "21"

LEAD BASED PAINT BOOKLET

Protect Your Family From Lead in Your Home

United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

March 2021

Are You Planning to Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- How lead affects health
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint or lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right,* to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).

Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at epa.gov/lead.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods high in iron, calcium, and vitamin C.
- Remove shoes or wipe soil off shoes before entering your house.

Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

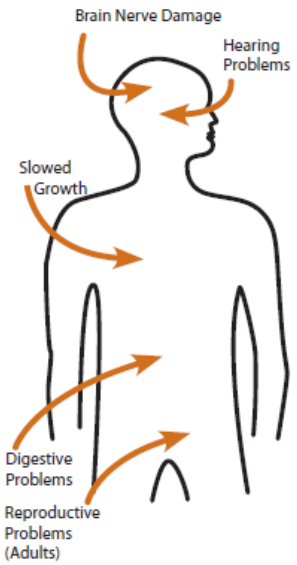
Women of childbearing age should know that lead is dangerous to a developing fetus.

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

Health Effects of Lead

Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:



- Nervous system and kidney damage
- Learning disabilities, attention-deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage

While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

Your doctor can explain what the test results mean and if more testing will be needed.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.[1]

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.[2]

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at epa.gov/lead.

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[1] "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm^2), or more than 0.5% by weight.

[2] "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorated lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 10 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors
- 100 $\mu g/ft^2$ and higher for interior window sills

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
  - Portable x-ray fluorescence (XRF) machine
  - Lab tests of paint samples

- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
  - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
  - Sample dust near painted surfaces and sample bare soil in the yard
  - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.

Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit epa.gov/lead, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.[3]

[3] Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children eat nutritious, low-fat meals high in iron, and calcium, such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead–safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.

Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement contractor. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 10 micrograms per square foot (µg/ft^2) for floors, including carpeted floors
- 100 µg/ft^2 for interior windows sills
- 400 µg/ft^2 for window troughs

Abatements are designed to permanently eliminate lead-based paint hazards. However, lead dust can be reintroduced into an abated area.

- Use a HEPA vacuum on all furniture and other items returned to the area, to reduce the potential for reintroducing lead dust.
- Regularly clean floors, window sills, troughs, and other hard surfaces with a damp cloth or sponge and a general all-purpose cleaner.

Please see page 9 for more information on steps you can take to protect your home after the abatement. For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 15 and 16), epa.gov/lead, or call 1-800-424-LEAD.

Renovating, Repairing or Painting a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*

RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
  - Open-flame burning or torching
  - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment
  - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects, visit epa.gov/getleadsafe, or read *The Lead-Safe Certified Guide to Renovate Right*.

Other Sources of Lead

Lead in Drinking Water

The most common sources of lead in drinking water are lead pipes, faucets, and fixtures.

Lead pipes are more likely to be found in older cities and homes built before 1986.

You can't smell or taste lead in drinking water.

To find out for certain if you have lead in drinking water, have your water tested.

Remember older homes with a private well can also have plumbing materials that contain lead.

Important Steps You Can Take to Reduce Lead in Drinking Water

- Use only cold water for drinking, cooking and making baby formula. Remember, boiling water does not remove lead from water.
- Before drinking, flush your home's pipes by running the tap, taking a shower, doing laundry, or doing a load of dishes.
- Regularly clean your faucet's screen (also known as an aerator).
- If you use a filter certified to remove lead, don't forget to read the directions to learn when to change the cartridge. Using a filter after it has expired can make it less effective at removing lead.

Contact your water company to determine if the pipe that connects your home to the water main (called a service line) is made from lead. Your area's water company can also provide information about the lead levels in your system's drinking water.

For more information about lead in drinking water, please contact EPA's Safe Drinking Water Hotline at 1-800-426-4791. If you have other questions about lead poisoning prevention, call 1-800 424-LEAD.*

Call your local health department or water company to find out about testing your water, or visit epa.gov/safewater for EPA's lead in drinking water information. Some states or utilities offer programs to pay for water testing for residents. Contact your state or local water company to learn more.

* Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

Other Sources of Lead, continued

- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.[4]
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as **"greta"** and **"azarcon,"** used to treat an upset stomach.

[4] In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint. In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products.

For More Information

The National Lead Information Center
Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/lead and hud.gov/lead, or call **1-800-424-LEAD (5323).**

EPA's Safe Drinking Water Hotline
For information about lead in drinking water, call **1-800-426-4791**, or visit epa.gov/safewater for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline
For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772,** or visit CPSC's website at cpsc.gov or saferproducts.gov.

State and Local Health and Environmental Agencies
Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at epa.gov/lead, or contact the National Lead Information Center at **1-800-424-LEAD.**

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

U. S. Environmental Protection Agency (EPA) Regional Offices

The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
5 Post Office Square, Suite 100, OES 05-4
Boston, MA 02109-3912
(888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 205, Mail Stop 225
Edison, NJ 08837-3679
(732) 906-6809

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3
1650 Arch Street
Philadelphia, PA 19103
(215) 814-2088

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
AFC Tower, 12th Floor, Air, Pesticides & Toxics
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (LL-17J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 353-3808

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-2704

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
11201 Renner Blvd.
Lenexa, KS 66219
(800) 223-0425

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
1595 Wynkoop St.
Denver, CO 80202
(303) 312-6966

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. EPA Region 9 (CMD-4-2)
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4280

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10 (20-C04)
Air and Toxics Enforcement Section
1200 Sixth Avenue, Suite 155
Seattle, WA 98101
(206) 553-1200

Consumer Product Safety Commission (CPSC)

The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

CPSC
4330 East West Highway
Bethesda, MD 20814-4421
1-800-638-2772
cpsc.gov or saferproducts.gov

U. S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact to Office of Lead Hazard Control and Healthy Homes for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

HUD
451 Seventh Street, SW, Room 8236
Washington, DC 20410-3000
(202) 402-7698
hud.gov/lead

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U. S. EPA Washington DC 20460
U. S. CPSC Bethesda MD 20814
U. S. HUD Washington DC 20410

EPA-747-K-12-001
March 2021

IMPORTANT!

Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).

EXHIBIT "22"

FORM OF INTERIM OCCUPANCY AGREEMENT

INTERIM OCCUPANCY AGREEMENT

SPONSOR: _____

PURCHASER: _____

UNIT: Unit _____ at _____

DATE: As of _____ ,20___

WHEREAS, Purchaser has agreed to purchase Unit (the "Unit") at the _____ Condominium, located at _____(the "Condominium") pursuant to an Purchase Agreement between Purchaser and Sponsor of even date herewith (the "Contract").

WHEREAS, Purchaser wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Sponsor has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Sponsor hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Occupancy Agreement (this "Agreement") commencing as of _____ ___, 20___ (the "Possession Date"); provided, however, that such occupancy shall not commence until Sponsor or Escrow Agent (as defined in the Contract) either: (a) receives a wire transfer from Purchaser in an amount equal to the Down Payment (as defined in the Contract), or (b) receives a check from Purchaser in an amount equal to the Down Payment and such check clears.

2. The term of this Agreement shall continue until _____ ___, 20__, the presently anticipated Closing Date. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Sponsor a monthly use and occupancy fee at the address set forth above, or at such other address as Sponsor may direct, in the amount of $_____, subject to the terms of Section 9 below; provided, however, that the first month's fee is due and payable as of the date hereof and shall be paid to Sponsor together with the delivery of this Agreement as executed by Purchaser, or as Sponsor may otherwise direct. Any additional monthly fee payment shall be due and payable on or before the first day of each subsequent month. At Closing, Sponsor and Purchaser shall make adjustments for fee payments on a per diem basis.

4. In the event that Purchaser defaults under the Contract, the same shall constitute a default hereunder, and Purchaser shall surrender the Unit to Sponsor in the condition s/he received same within ten (10) days after Sponsor's notice of Purchaser's default under the Contract (the "Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Vacate Date.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Sponsor an amount equal to $_____ per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Sponsor's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Sponsor's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Sponsor shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein.

7. If Sponsor brings an action or proceeding relating to this Agreement, at law or in equity, Sponsor shall be entitled to collect from Purchaser and Purchaser shall be liable to Sponsor for any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Sponsor for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. As set forth in Paragraph 4 above, any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of the use and occupancy fee following the initial payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of: (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of the use and occupancy fee following the initial rent payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit during the term hereof. Upon the termination of this Agreement for any reason other than the Closing. Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Sponsor's election, be retained by Sponsor without compensation to Purchaser, or removed at Purchaser's expense. The provisions of this paragraph shall survive any termination of this Agreement.

11. Sponsor shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of

Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Sponsor harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Sponsor arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain at Purchaser's sole expense personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Sponsor and naming Sponsor and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Sponsor prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Sponsor agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement, with a copy sent in like manner to _____ in the same manner as notice is given to Purchaser, and to Sponsor, addressed to Selling Agent at:_____, with a copy sent simultaneously and in like manner to Holland & Knight, 787 Seventh Avenue, 31st Floor, New York, New York 10019 Attention _____ or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel) as Sponsor's agent to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

15. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Sponsor. Moreover, this Agreement is not subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, the New York City Rent Stabilization Code, any rent regulatory scheme or code, rule or regulation promulgated under any of the foregoing, or any other rental protection laws.

16. This Agreement may not be modified or its provisions waived except by a writing signed by the parties hereto.

17. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Contract.

[NO FURTHER TEXT THIS PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:
Fulton Street Associates LP

By:_____
Name:
Title:

PURCHASER:

By:_____
Name:
Title:

EXHIBIT "23"

FORM OF BUYOUT AGREEMENT AND

TEMPORARY RELOCATION AGREEMENT

SURRENDER AGREEMENT
(BUYOUT AGREEMENT)

AGREEMENT ("Agreement") made as of the ____ day of _____, 20__, by and between **Fulton Street Associates LP** ("Landlord"), with offices located at c/o IBEC Building Corp. 90 Broad Street, Suite 2003, New York, New York 10004 and _____ ("Tenant"), residing at _____.

W I T N E S S E T H:

WHEREAS, Landlord is the owner and landlord of the building located at 104-112 South Portland Avenue, Brooklyn, New York 11217 ("Building"); and

WHEREAS, Tenant is the free market tenant of Apartment __ in the Building ("Premises") pursuant to a rental agreement by and between Landlord's predecessor-in-interest, as landlord, and Tenant (collectively, the "Lease"); and

WHEREAS, pursuant to the Lease, Tenant currently resides in the Premises and has a monthly legal rent of $_____; and

WHEREAS, the Premises is not subject to the Rent Stabilization Law ("RSL") and the implementing Rent Stabilization Code ("RSC") or the Emergency Housing Rent Control Law and NYC Rent and Evictions Regulations; and

WHEREAS, the parties agree to terminate the Lease as of the date of this Agreement, and allow Tenant to surrender all right, title and interest in the Premises to Landlord, effective _____, subject to the terms of this Agreement, and to surrender vacant possession of the Premises on or before _____ ("Vacate Date") in exchange for the consideration set forth herein; and now therefore,

IT IS HEREBY AGREED, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, as follows:

1. Notwithstanding anything to the contrary contained in the Lease or in any other agreement between the parties, Landlord and Tenant agree that the Lease is terminated as of the Vacate Date. Tenant hereby waives, releases and surrenders to Landlord all right, title, and interest Tenant may have in and to the Lease and the Premises, and surrenders and waives any and all rights Tenant may have to continue in possession of the Premises, except solely to the extent set forth herein. Tenant further represents and warrants that Tenant does not have any rights to, or claims against, the Premises, including, but not limited to, a claim that Tenant has a right to occupy the Premises, except as set forth herein. Tenant acknowledges and agrees that Tenant's agreement to terminate the Lease and surrender Vacant Possession (defined below) of the Premises was a material inducement for Landlord to enter into this Agreement, and that Landlord is entering into this Agreement in reliance on the same.

2. Tenant hereby represents that (i) Tenant is in sole possession of the Premises, (ii) there are no other persons and/or entities in possession of the Premises, (iii) Tenant is not aware of any other persons and/or entities having any rights to or claims against the Premises, and (iv)

this Agreement arises out of the parties' mutual agreement to terminate the Lease and accept Tenant's surrender of the Premises.

3. Tenant hereby agrees that Tenant will not assign the terminated Lease or sublet the Premises or permit any person to occupy the Premises, other than occasional houseguests, between the date of this Agreement and the Vacate Date.

4. In consideration for and conditioned upon Tenant's timely performance and full compliance with all of the terms and conditions of this Agreement, Landlord agrees to waive any unpaid rent through the date hereof and use and occupancy for the period from _____ through _____.

5. Tenant shall surrender "Vacant Possession" of the Premises to Landlord at a closing ("Closing") to be held on or before the Vacate Date at or before 5:00 p.m. at the Premises by delivering to Landlord's agent, _____: (a) the keys to the Premises and to the mailbox ("Keys"), (b) an executed notice in the form annexed hereto as Exhibit "A" confirming that Tenant has surrendered Vacant Possession of the Premises to Landlord ("Surrender Notice"); and (c) an executed letter in the form annexed hereto as Exhibit "B" to the New York State Division of Housing and Community Renewal ("DHCR") withdrawing any complaint or claim relating to the Premises ("DHCR Letter") (the Keys, Surrender Notice, and the DHCR Letter being referred to collectively as the "Surrender Documents"). For purposes of this Agreement, the term "Vacant Possession" shall mean actual and legal possession of the Premises, in good condition, normal wear and tear excepted, free and clear of all occupants and claims to or against the Premises, and free and clear of all personal property in the Premises, except as otherwise provided herein.

6. Tenant will be provided access to move Tenant's personal property from the Premises on _____, between 9 am and 5 pm ("Moving Day").

7. Upon Tenant's delivery at the Closing of Vacant Possession of the Premises to Landlord, Tenant agrees that (a) any property remaining in the Premises shall be deemed abandoned by Tenant; and (b) such property may be removed and disposed of by Landlord. Tenant further agrees that Landlord shall bear no liability for any such removal or disposal of property which is deemed abandoned.

8. Tenant acknowledges and recognizes that "TIME IS OF THE ESSENCE" in complying with all of the terms and conditions of this Agreement, including, but not limited to, timely surrendering Vacant Possession of the Premises to Landlord. Based upon Tenant's representation that Tenant will comply with all of the terms and conditions of this Agreement and will vacate in a timely manner, Landlord has entered into this Agreement. Based upon Landlord's representation that it will comply with all of the terms and conditions of this Agreement, Tenant has entered into this Agreement.

9. As consideration for, and conditioned upon, Tenant's timely performance and full compliance with the terms and conditions of this Agreement, Landlord will pay Tenant the sum of _____ ($_____) ("Payment"), as set forth herein.

10. Upon Tenant surrendering Vacant Possession of the Premises and delivering the Surrender Documents to Landlord at the Closing, Landlord shall deliver to Tenant the Payment.

11. Tenant understands that Tenant's obligation to timely surrender Vacant Possession of the Premises to Landlord on or before the Vacate Date is unconditional, and not contingent on Tenant obtaining other housing accommodations and that if Tenant does not timely surrender Vacant Possession of the Premises, Landlord will commence an action or proceeding against Tenant to recover possession of the Premises, and that Landlord may submit this Agreement to the Court as evidence of Tenant's obligation to vacate the Premises in order to obtain a judgment of possession.

12. In the event Tenant fails, for whatever reason, to timely surrender Vacant Possession of the Premises, the payment due hereunder shall be reduced at the rate of $1,000.00 per day for each day that Tenant holds over after the Vacate Date for up to ten (10) days. In the event Tenant holds over in possession of the Premises for more than ten (10) days after the Vacate Date, (i) Tenant shall forfeit the right to the Payment enumerated in this Agreement, and (ii) shall be liable and agrees to the immediately pay Landlord the Arrears and the monthly sum of $_____, that being the monthly fair market value and reasonable use and occupancy for the Premises, for each monthly period from the Vacate Date until Tenant surrenders Vacant Possession to Landlord. This clause shall in no way be construed as a modification or waiver of Tenant's obligation under this Agreement to vacate the Premises on or before the Vacate Date.

13. The parties agree that Landlord is holding $_____ as security deposit for the Premises ("Security Deposit"). Landlord shall return the Security Deposit within thirty (30) days after the Vacate Date to Tenant in full in accordance with the terminated Lease. Tenant's address for the purposes of returning the security deposit is _____.

14. For the valuable consideration set forth above, Tenant will, at Closing, withdraw any complaint or claim relating to the Premises which Tenant may have filed with DHCR and any other government agency or court, and Tenant will provide Landlord with any document Landlord may need in order to effectuate such withdrawal including, but not limited to, the letter to the DHCR annexed hereto as Exhibit "B." Tenant further consents that Landlord may submit this Agreement to DHCR after the Closing, in addition to, or in lieu of, any other document, as conclusive evidence of Tenant's intention to withdraw all claims made to DHCR relating to the Premises and/or to Landlord. Tenant hereby acknowledges and agrees that Landlord has not committed any act or inaction that could constitute harassment and Landlord may submit the Agreement to any government agency in lieu of an affidavit as conclusive evidence that Landlord has not harassed Tenant to vacate the Premises and Tenant has vacated the same voluntarily. Tenant acknowledges that prior to negotiations with Landlord with respect to the terms hereof, Tenant received a Tenant Buyout Notice as required by law.

15. Tenant acknowledges and agrees that Tenant is solely responsible for payment of any and all taxes due in connection with the agreements contained herein.

16. Tenant further acknowledges that Tenant has received and reviewed the Offering Plan to convert the Building in which the Premises is located to cooperative ownership. Tenant warrants and represents that Tenant has irrevocably elected not to purchase the Premises; agrees that Tenant's election not to purchase shall not be revived by virtue of any extension of any other Tenant's right to purchase; and that Tenant has elected to enter into this Agreement freely and of his own volition in lieu of exercising any rights under the Offering Plan.

17. Except for the obligations contained in this Agreement, for the valuable consideration set forth above, the receipt and sufficiency of which is hereby acknowledged, each party hereby waives and releases any and all claims they may have, known or unknown, against the other party, the other party's predecessors and successors in interest, including all individuals, shareholders, assigns, partners, officers, directors, affiliates and other employees, and the other party's heirs, executors, administrators, successors and assigns, from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity, which against the other party, each party, their heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this Agreement.

18. Tenant represents that Tenant has had the opportunity to consult with legal counsel of Tenant's choice before executing this Agreement and has either done so or elected not to; that Tenant is signing this Agreement knowingly and voluntarily; understands its meaning; and expressly consents that it be given full force and effect according to all of its express terms and provisions, including those related to release of unknown and unsuspected claims, demands, and causes of action.

19. This Agreement shall be binding upon and inure to the benefit of the respective parties, their heirs, assigns, executors, administrators and successors-in-interest to their property.

20. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes all previous and contemporaneous negotiations and agreements of the parties, all of which are merged into this Agreement. This Agreement may not be changed, modified, discharged, canceled, or waived orally, except by agreement in writing signed by the parties hereto.

21. This Agreement may be executed in counterparts. All such counterparts shall be deemed to be originals and shall together constitute but one and the same instrument.

22. For purposes of this Agreement, facsimile and/or email signatures shall be deemed to be originals.

23. The "Whereas" clauses are incorporated herein.

[**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**]

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

Dated: New York, New York
_____ ___, 20__

Fulton Street Associates LP
Landlord

By: _____
Name:
Title:

_____
_____, Tenant

[ACKNOWLEDGMENTS FOLLOW]

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

On the _____ day of _____ in the year **20___** before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

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

On the _____ day of _____ in the year **20___** before me, personally came _____ to me known, who, being by me duly sworn, did depose and say that he is a member of **Fulton Street Associates LP**, the Limited Partnership described in and which he executed the foregoing instrument; that the execution of the instrument by _____ was duly authorized according to the operating agreement of **Fulton Street Associates LP**; that said member executed the instrument on behalf of said Limited Partnership pursuant to said authorization and that he signed his name thereto by like authority.

_____
NOTARY PUBLIC

Exhibit "A"

SURRENDER NOTICE

_____ ("Occupant"), being in occupancy of Apartment __ in the building known as and located at 104-112 South Portland Avenue, New York, New York (the "Premises") hereby declares:

1. I have vacated the Premises as of _____ ___, 20__ and hereby voluntarily surrender possession of the Premises to **Fulton Street Associates LP** ("Landlord").

2. The Premises are unoccupied and free of all other occupants, and there is no other person and/or entity having any rights to or claim against the Premises or in possession of the Premises.

3. I have removed all of my personal property from the Premises and agree that any property remaining in the Premises is hereby deemed abandoned and may be removed and/or discarded by Landlord at my expense.

4. I hereby acknowledge that I have received the Payment and Security Deposit pursuant to Surrender Agreement, dated _____ __, 20__.

5. I hereby release and discharge the Landlord, its predecessors and successors in interest, including all shareholders, assigns, partners, officers, agents, directors and any other person or entity which may now or hereafter have a direct or indirect equitable or beneficial interest in the Premises, from any liability or responsibilities to me, and from any claims or damages which I may have in connection with the Premises or arising out of my occupancy thereof, including, but not limited to, any claims that I have vacated the Premises by other than voluntary surrender of possession.

_____

Surrender Accepted

By:_____

Date:_____

Exhibit "B"

_____
104-112 South Portland Avenue
Apartment No. __
Brooklyn, New York

_____, 20__

New York State Division of Housing
and Community Renewal
Gertz Plaza
93-31 Union Hall Street
Jamaica, New York 11433

Re: Docket No.:
Premises: 104-112 South Portland Avenue
Apartment: __
Tenant: _____

Dear Sir or Madam:

I am the Tenant who filed the above-referenced Complaint.

I hereby withdraw the referenced proceeding, with prejudice.

The basis for the withdrawal is a negotiated settlement with the Landlord. I have received substantial consideration for this withdrawal.

Kindly issue an order dismissing this proceeding.

Very truly yours,

_____

TEMPORARY RELOCATION AGREEMENT

AGREEMENT (the "Agreement") made as of the ____ day of _____, 20__, by and between **Fulton Street Associates LP** (hereinafter "Landlord"), with offices located at c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004, _____ (hereinafter "Tenant"), residing at 104-112 South Portland Avenue, Apartment ____, Brooklyn, New York.

W I T N E S S E T H:

WHEREAS, Landlord is the owner and landlord of the Building located at 104-112 South Portland Avenue, Brooklyn, New York (hereinafter the "Building"); and

WHEREAS, Tenant is the free market tenant of Apartment _____ in the Building (the "Apartment") pursuant to a rental agreement and/or statute, dated _____, by and between Landlord's predecessor-in-interest, as landlord, and Tenant, as tenant, as most recently renewed by renewal lease dated _____; and

WHEREAS, pursuant to the Lease, Tenant is obligated to pay monthly rent to Landlord in the sum of $_____ ("Rent") for the Apartment; and

WHEREAS, the Apartment is not subject to the Rent Stabilization Law ("RSL") and the implementing Rent Stabilization Code ("RSC") or the Emergency Housing Rent Control Law and New York City Rent and Eviction Regulations; and

WHEREAS, Landlord is currently engaged in certain work at the Building ("Landlord's Work"), which work may cause inconvenience and disturbance to Tenant; and

WHEREAS, Tenant has agreed to temporarily relocate to Apartment _____ at _____, Brooklyn, New York (the "Relocation Apartment") for a period of approximately _____ months; and

WHEREAS, Landlord has agreed to temporarily relocate Tenant to the Relocation Apartment, at its cost and expense; and

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. On or before the later of _____ __, 20__, or the date which is _____ days after Landlord notifies Tenant that the Relocation Apartment is ready for occupancy (hereinafter the "Vacate Date") Tenant shall temporarily vacate the Apartment. Notwithstanding anything to the contrary contained in the Lease or in any other agreement between the parties, Landlord and Tenant agree that the Lease for the Apartment remains in full force and effect, subject to the parties' rights hereunder. Tenant shall vacate the Apartment effective on the Vacate Date, with time being of the essence.

2. Landlord shall arrange for a licensed, bonded mover to pack all of Tenant's furniture, furnishings and personal property and deliver them to the Relocation Apartment and have them returned to the Apartment and unpacked on or before the Reoccupancy Date, all at Landlord's cost and expense.

3. Upon Landlord's compliance with Paragraph "2" hereof, Tenant shall deliver to Landlord the keys to the Apartment so that Landlord may secure the Apartment, including changing the "house" lock if it chooses to do so, through the Reoccupancy Date.

4. Landlord shall pay any and all costs incurred by Tenant to transfer his/her existing utilities to the Relocation Apartment, including gas, electric, cable television, internet and/or telephone service. Landlord shall not be responsible for payment of any utility service to the Relocation Apartment, other than those costs incurred solely as a result of Tenant's relocation.

5. Upon Landlord substantially completing Landlord's Work, it shall notify Tenant in writing by delivering a notice (the "Completion Notice") fixing the Reoccupancy Date, which shall be no less than ten (10) days after the delivery of the Completion Notice. Tenant shall vacate and surrender the Relocation Apartment on or before the Reoccupancy Date. For the purposes of this Agreement, the term "substantial completion" shall mean that the only aspects which are not completed are (i) aspects of construction finishes, mechanical adjustment, minor work or installation that are typically "Punch List" items that do not prevent Tenant from residing in the Relocation Apartment and shall be promptly completed by Landlord.

6. On the Reoccupancy Date, Landlord shall deliver to Tenant the keys to the Apartment and tenant shall execute and deliver to Landlord the Surrender Notice annexed hereto as Exhibit "A". Tenant shall take reasonable care of the Relocation Apartment and shall return same to Landlord in substantially the same condition as the condition in which it was delivered to Tenant.

7. Tenant's occupancy of the Relocation Apartment shall be as a licensee only, at no fee, and with no right to possession, except as set forth herein.

8. Tenant shall continue to pay rent for the Apartment, notwithstanding the temporary relocation to the Relocation Apartment. The legal rent for the Apartment shall be increased only by permitted increases approved by the Rent Guidelines Board.

9. Provided that Landlord has complied with its obligations under this Agreement, in the event that Tenant fails to vacate the Apartment on or before the Vacate Date after service of a _____ day notice to cure, in addition to any other remedy that Landlord may have under this Agreement, at law or in equity, Tenant shall be deemed to have consented to a mandatory injunction in favor of Landlord requiring her to immediately grant Landlord access to the Apartment. This paragraph shall not constitute a modification or waiver of Tenant's obligation to vacate the Apartment on or before the Vacate Date and in accordance with the terms of this Agreement and shall be without prejudice to Landlord's claim for money damages.

10. In the event Tenant fails to vacate and surrender the Relocation Apartment on or before the Reoccupancy Date, in addition to any other remedies available to Landlord, Tenant shall be immediately liable for rent for the Relocation Apartment at the rate paid by Landlord, or in the event Landlord is not paying rent, then at fair market value in an amount to be determined by the Court, for each month from the date hereof through the date on which Landlord recovers possession of the Apartment in accordance with paragraph "__" hereof, without for setoff or deduction as well as any and all attorneys' fees, costs and disbursements incurred by Landlord to recover possession of the Relocation Apartment.

11. If Tenant fails to timely move back to the Apartment in accordance with the terms of the Completion Notice, after service of a five (5) day notice of default, (a) Tenant shall be deemed to have abandoned the Apartment and to have permanently surrendered all right, title and/or interest therein; and (b) Tenant shall be permitted to remain in the Relocation Apartment for a period of not more than ten (10) days, at which time Tenant's license shall be deemed to have terminated and expired and Landlord shall be entitled to recover possession of the Relocation Apartment from Tenant.

12. Any notices hereunder shall be sent by nationally recognized overnight courier and shall be deemed given on the day following the day such notice is delivered to such overnight courier service for delivery, as follows:

13. If to Landlord, Fulton Street Associates Limited Partnership at c/o IBEC Building Corp., 90 Broad Street, Suite 2003, New York, New York 10004, with a copy to Landlord by electronic mail to , and to Landlord's counsel, with a copy by electronic mail at ; and

14. to Tenant, prior to the Reoccupancy Date at the Relocation Apartment.

15. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties' respective successors and assigns.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles of conflicts of law.

17. Except as set forth herein, this Agreement contains the entire agreement between the parties with regard to the subject matter hereof and may not be changed, modified, waived, released, discharged or terminated, in whole or in part, unless in writing and signed by both parties.

18. Tenant and Landlord each agree to hold one another harmless and to fully indemnify each other for any and all costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred due to the other party's failure to comply with the terms of this Agreement.

19. Except with respect to the parties' respective obligations under this Agreement, Tenant and Landlord hereby release and forever discharge the other party and their respective successors, assigns, past and present officers, directors, partners, shareholders and members, of and from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings,

bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, torts, personal injuries, acknowledgements, extents, executions, claims and demands whatsoever, in law, admiralty or in equity, which any party ever had, now has, or which either party or their successors hereafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to date of this Agreement.

20. Tenant acknowledges that she has had the opportunity to consult with counsel of her choice and has either done so or has elected not to do so of her own volition.

21. Tenant expressly represents that Tenant voluntarily agreed to temporarily vacate the Apartment and to temporarily occupy the Relocation Apartment. Tenant acknowledges that Tenant was (a) not harassed in any manner with respect to this Agreement, and (b) has entered into this Agreement to freely and of her own volition.

22. The parties acknowledge they have entered into this Agreement freely and voluntarily and agree that this Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

23. If any provision of this Agreement or its application to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement, or the applicability of such provision to other persons or circumstances, shall be valid and enforceable to the fullest extent permitted by law and shall be deemed to be separate from such invalid or unenforceable provisions and shall continue in full force and effect.

24. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which when taken together shall constitute but one and the same instrument. Facsimile signatures shall be deemed originals.

25. The parties acknowledge and agree that this Agreement shall be assignable by Landlord or such successor in interest as Landlord may designate.

Dated: New York, New York
_____ __, 20__

FULTON STREET ASSOCIATES LP
Landlord

By: _____
Name:
Title:

_____
_____, *Tenant*

Exhibit A

RELOCATION NOTICE

_____, being the occupant of Apartment No. _____ (the "Apartment") at the Building known as 104-112 South Portland Avenue, Brooklyn, New York, hereby declares:

1. I have vacated the Apartment, on _____ and hereby voluntarily vacated same, subject to my right to return upon service of a Reoccupancy Notice.

2. The Apartment is unoccupied and is free of all other occupants and there is no other person and/or entity having any rights to or claim against the Apartment or in possession of the Apartment.

3. All my personal property has been removed and I hereby abandon any property remaining in the Apartment.

_____

SURRENDER NOTICE

_____ ("Occupant"), being in occupancy of Apartment __ in the building known as and located at 104-112 South Portland Avenue, Brooklyn, New York (the "Temporary Apartment") hereby declares:

1. I have vacated the Temporary Apartment as of _____ ___, 20__ and hereby voluntarily surrender possession of the Premises to **Fulton Street Associates LP** ("Landlord").

2. The Temporary Apartment is unoccupied and free of all other occupants, and there is no other person and/or entity having any rights to or claim against the Temporary Apartment or in possession of the Temporary Apartment.

3. I have removed all of my personal property from the Temporary Apartment and agree that any property remaining in the Temporary Apartment is hereby deemed abandoned and may be removed and/or discarded by Landlord at my expense.

4. I hereby acknowledge that I have received the Payment and Security Deposit pursuant to Surrender Agreement, dated _____ __, 20___.

5. I hereby release and discharge the Landlord, its predecessors and successors in interest, including all shareholders, assigns, partners, officers, agents, directors and any other person or entity which may now or hereafter have a direct or indirect equitable or beneficial interest in the Temporary Apartment, from any liability or responsibilities to me, and from any claims or damages which I may have in connection with the Temporary Apartment or arising out of my occupancy thereof, including, but not limited to, any claims that I have vacated the Temporary Apartment by other than voluntary surrender of possession.

_____

Surrender Accepted

By:_____

Date:_____

EXHIBIT “24”

ELIGIBLE SENIOR CITIZENS AND
ELIGIBLE DISABLED PERSONS WITH FORMS

23.8 ELIGIBLE SENIOR CITIZENS AND ELIGIBLE DISABLED PERSONS.

(a) Election.

A tenant may elect not to purchase as an eligible senior citizen or eligible disabled person as defined in G.B.L., section 352-e(2-a) or 352-eeee, or as an eligible disabled person as defined in G.B.L., section 352-eee, within 60 days from the presentation date by completing the applicable form, SH-1 or SH-2, prescribed by the Department of Law and included in the offering plan immediately preceding the introduction page, signing the election form and having the signature notarized and personally delivering it to the named sponsor or agent at a location specified by the sponsor in the plan, or by mailing it by certified or registered mail, return receipt requested to the named sponsor or agent at an address specified by the sponsor in the plan. G.B.L., section 352-eee does not require that a tenant file an election form in order to qualify as an eligible senior citizen. However, it is advised and requested that a tenant, who believes he or she is or will become an eligible senior citizen within 12 months from the date the plan is filed, complete the election form SH-5 promulgated by the Department of Law and included in the plan. This senior citizen election form should be completed, signed, notarized and returned to the sponsor. In the event that the plan becomes subject to G.B.L., section 352-e(2-a) after the plan was accepted for filing: (*a*) the plan must be amended immediately after the statute becomes applicable to such offering, and (*b*) such election may be made within 60 days of presentation of such amendment.

(1) An SH-1 or SH-2 election form is timely if it is personally delivered or postmarked before midnight of the 60th day after the presentation date subject to statutory rules of construction. An SH-5 election form may be delivered at any time.

(2) The sponsor or agent shall acknowledge receipt of the election form and promptly return an acknowledged copy to the nonpurchasing tenant.

(b) Determination of disputed elections.

A sponsor who disputes the election by a nonpurchasing tenant to be an eligible senior citizen or an eligible disabled person must apply to the Department of Law for a determination of the person's eligibility within 30 days following receipt of the election form.

(1) The application is timely if it is personally delivered to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005, during business hours or postmarked before midnight of the 30th day following receipt by the sponsor or agent of the election form.

(2) In the absence of fraud, an untimely application will not be entertained, in which case the tenant whose eligibility is disputed will be deemed eligible under the statute.

(3) The application shall include the following:

(i) one copy of the election form;

(ii) one original and one copy of an affidavit, sworn to by a person having knowledge of the facts, setting forth the following:

(a) that the application is timely in accordance with these regulations;

(b) the specific ground(s) for disputing the election; and

(c) the basis for the affiant's statement that the tenant is not an eligible senior citizen or eligible disabled person;

(iii) two copies of all supporting information or documentation in the possession of the sponsor or the affiant bearing on eligibility.

(4) The application must be complete at submission. The Department of Law need not consider any additional or supplemental information subsequently submitted by sponsor.

(5) The Department of Law shall notify the person that the sponsor disputes his or her election to be an eligible senior citizen or eligible disabled person and shall request him or her to submit an answer to the application on a form prescribed by the Department of Law and furnish information or documentation bearing on the specific grounds raised by sponsor to dispute the election.

(i) The answer and supporting documentation must be submitted to the Department of Law within 10 days of the date of the notice from the Department of Law. Failure to submit an answer shall not preclude the Department of Law from issuing a determination.

(6) The Department of Law may, in its discretion, require the attendance and giving of testimony by witnesses and the production of papers, documents, books and other evidence concerning the issues raised. A witness shall be notified that he or she may be represented by counsel.

(7) On the basis of evidence received, the Department of Law shall issue a written determination of eligibility.

(c) Sale of units occupied by eligible senior citizens and eligible disabled persons.

(1) A unit occupied by an eligible senior citizen or eligible disabled person, or a person seeking exemption as an eligible senior citizen or eligible disabled person may not be offered to a third party during any exclusive purchase period granted to bona fide tenants in occupancy unless the sponsor, in writing, waives any right to challenge the eligibility of the occupant of the unit.

(2) Where the sponsor has disputed the eligibility of a person seeking an exemption, the unit may not be offered to a third party for 30 days after the Department of Law has made its determination of eligibility. If a proceeding to review such determination is commenced under article 78 of the Civil Practice Law and Rules in a court of competent jurisdiction, the unit may not be offered to a third party for 30 days after notice of entry of the final order in such proceeding. If such final determination or order finds that the person seeking the exemption is not an eligible senior citizen or eligible disabled person, such person may purchase the unit within 30 days thereafter on the most favorable terms offered to tenants in occupancy at any time prior thereto; provided, however, that if such final determination or order includes a finding that the exemption was sought fraudulently or in bad faith, such person may purchase the unit as provided in paragraph (3) of this subdivision.

(3) Notwithstanding an election not to purchase, an eligible senior citizen or eligible disabled person may purchase the unit on the terms then offered to tenants in occupancy.

ELIGIBLE SENIOR CITIZEN ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and municipalities in New York State which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

_____

DATE OF BIRTH: _____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium.

I certify that:

1. I am a tenant of the apartment listed above.
2. I am or my spouse is now 62 years of age or older.

I understand that this senior citizen election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____ day of _____, 20___.

_____
NOTARY PUBLIC

Receipt acknowledged, and copy given to tenant.

SPONSOR/AGENT: _____ DATE: _____

FORM SH-1 (Rev. 11/15)

#190603456_v5

INSTRUCTIONS FOR COMPLETING ELIGIBLE SENIOR CITIZEN ELECTION FORM

State law provides that tenants who are "eligible senior citizens" cannot be evicted because they did not buy their apartments.

How to Qualify as an "Eligible Senior Citizen"

To qualify as an "eligible senior citizen," you must:

1. Be a tenant, or the spouse of a tenant; and

2. Have been 62 years of age or older on the date the Department of law "accepted the offering plan for filing," and

3. Complete this election form and return it to the sponsor within 60 days of the date you first received the offering plan.

Date Offering Plan Was Accepted For Filing

The approximate date the Department of Law "accepted the offering plan for filing" is printed on the front cover of the offering plan. You must have been 62 years of age or older on the filing date to qualify.

Who Is Considered a Tenant?

A tenant for purposes of this form is a person who has signed a lease or the spouse of a person who has signed a lease.

Return This Form to the Sponsor

You must complete and return this form within 60 days of the date you first received the offering plan. Return the form either by delivering it to the sponsor or the sponsor's selling agent at the location specification in the plan, or by mailing it by certified or registered mail, return receipt requested, to the sponsor or selling agent at the address specified in the plan. **Be sure to sign the form before a Notary Public.**

WARNING!

FAILURE TO RETURN THIS FORM WITHIN 60 DAYS COULD ULTIMATELY RESULT IN YOUR BEING EVICTED!

The Sponsor May Dispute Your Eligibility

The law allows the sponsor to dispute your eligibility as an "eligible senior citizen." In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days after the sponsor receives your election form. In case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

ELIGIBLE DISABLED PERSON ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and for use in municipalities in Nassau, Rockland and Westchester Counties which have adopted GBL Section 352-eee, and to use in municipalities in the State of New York which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

_____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium.

I certify that:

3. I am a tenant of the apartment listed above.

4. I have an impairment which results from anatomical, physiological or psychological conditions (other than an addiction to alcohol, gambling, or any controlled substance) which (1) is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, (2) is expected to be permanent, and (3) prevents me from engaging in any substantial gainful employment.

I understand that this disabled person election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____ day of _____, 20___.

_____
NOTARY PUBLIC

Receipt acknowledged, and copy given to tenant.

SPONSOR/AGENT: _____ DATE: _____

FORM SH-2 (Rev. 11/15)

EXHIBIT "25"

CERTIFICATE OF OCCUPANCY FOR THE BUILDING

B Form 54 (Rev. 8/85)

THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS
CERTIFICATE OF OCCUPANCY

BOROUGH Brooklyn DATE: FEB 6 1987 NO. 227276

This certificate supersedes C.O. No. ZONING DISTRICT C2-3 in R6

THIS CERTIFIES that the new–altered–existing–building–premises located at

680-686 Fulton Street A/K/A 104/114 South Portland Avenue Block 2114 Lot 23

CONFORMS SUBSTANTIALLY TO THE APPROVED PLANS AND SPECIFICATIONS AND TO THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES, AND REGULATIONS FOR THE USES AND OCCUPANCIES SPECIFIED HEREIN

PERMISSIBLE USE AND OCCUPANCY

STORY	LIVE LOAD LBS PER SQ. FT.	MAXIMUM NO OF PERSONS PERMITTED	ZONING DWELLING OR ROOMING UNITS	BUILDING CODE HABITABLE ROOMS	ZONING USE GROUP	BUILDING CODE OCCUPANCY GROUP	DESCRIPTION OF USE
Cellar	On Ground	2					Boiler Room, Laundry Rooms (4) Superintendent's Workshop, Recreation Rooms (4) Storage
First	100		9	18	2&6		Nine (9) Apartments & Two (2) Stores
Second	40		12	29	2		Twelve (12) Apartments
Third	40		12	29	2		Twelve (12) Apartments
Fourth	40		12	29	2		Twelve (12) Apartments
		Total:	Fourty-Five (45) Apartments and Two (2) Stores				
			Old Code				
			Class "A" Multiple Dwelling				
			Old Law Tenement				

OPEN SPACE USES _____
(SPECIFY–PARKING SPACES, LOADING BERTHS, OTHER USES, NONE)

NO CHANGES OF USE OR OCCUPANCY SHALL BE MADE UNLESS A NEW AMENDED CERTIFICATE OF OCCUPANCY IS OBTAINED

THIS CERTIFICATE OF OCCUPANCY IS ISSUED SUBJECT TO FURTHER LIMITATIONS, CONDITIONS AND SPECIFICATIONS NOTED ON THE REVERSE SIDE.

Shirley Klein — BOROUGH SUPERINTENDENT

Mark W. Brown — COMMISSIONER

☐ ORIGINAL ☐ OFFICE COPY–DEPARTMENT OF BUILDINGS ☐ COPY

227276

THAT THE ZONING LOT ON WHICH THE PREMISES IS LOCATED IS BOUNDED AS FOLLOWS:

BEGINNING at a point on the South side of Portland Avenue distant 0'0" South from the corner formed by the intersection of South Portland Avenue and Fulton Street

running thence South 93'1 3/4" feet; thence ..... feet;

thence ..... feet; thence West 100'0" feet;

thence North 149'1" feet; thence East 70'0" feet;

thence ..... feet; thence ..... feet;

to the point or place of beginning.

Alt. 597/84

N.B. or ALT. No. DATE OF COMPLETION 1-16-87 CONSTRUCTION CLASSIFICATION 3 NFP

BUILDING OCCUPANCY GROUP CLASSIFICATION HEIGHT 4 STORIES, 44' FEET

THE FOLLOWING FIRE DETECTION AND EXTINGUISHING SYSTEMS ARE REQUIRED AND WERE INSTALLED IN COMPLIANCE WITH APPLICABLE LAWS.

	YES	NO		YES	NO
STANDPIPE SYSTEM			AUTOMATIC SPRINKLER SYSTEM	X	
YARD HYDRANT SYSTEM					
STANDPIPE FIRE TELEPHONE AND SIGNALLING SYSTEM					
SMOKE DETECTOR	X				
FIRE ALARM AND SIGNAL SYSTEM					

STORM DRAINAGE DISCHARGES INTO:

A) STORM SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

SANITARY DRAINAGE DISCHARGES INTO:

A) SANITARY SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

LIMITATIONS OR RESTRICTIONS:

BOARD OF STANDARDS AND APPEALS CAL. NO. _____

CITY PLANNING COMMISSION CAL. NO. _____

OTHERS: