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

Stanhope Foundry

196 Stanhope Street, Brooklyn
Kings County, New York 11237

10 Residential Units -	**$7,860,000**
1 Commercial Unit -	**$2,470,000**
*** 10 Storage Lockers -**	**$ 300,000**

TOTAL OFFERING PRICE - $10,630,000

****The Sponsor will be offering ten (10) Storage Locker Licenses.**

SPONSOR
Stanhope Real Estate Development LLC
28-07 Jackson Ave, Suite 11-138
Long Island City, NY 11101

SELLING AGENT
Compass
90 Fifth Avenue, 3rd Floor
New York, New York 10011

SPONSOR'S ATTORNEY
Moritt Hock & Hamroff LLP
1407 Broadway, 39th Fl.
New York, New York 10018

The Date of Acceptance for Filing is 2025. The Offering Plan May Not Be Used After 2026 Unless Extended by Amendment.

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

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

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

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SPECIAL RISKS

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

1. The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium until all of the Residential Units in the Condominium are sold. Thereafter, the Sponsor shall retain the right to designate a minority of the Board of Managers until such time as Sponsor no longer owns the Commercial Unit. Such indefinite span of the Sponsor's Control Period carries additional risks to Purchasers, as set forth below. Purchasers should note, during the Sponsor's Control Period Unit Owners may have no say in the operation of the condominium and even if Unit Owner's do not agree with the decisions of the Board, they will be obligated to comply with the Board's decisions. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers at any time. The By-Laws do not require a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Litigation, if any, against the Sponsor may require significant additional costs, time, and resources but does not guarantee resolution in the Unit Owners' favor. Further, the Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e., purchasing a Residential Unit to live in as opposed to purchasing as an investment. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. The Board of Managers, whether or not controlled by the Sponsor, assumes a fiduciary duty to act in the best interests of the Condominium and its Unit Owners. See Section XVII of the Offering Plan.

2. The initial Board of Managers will have (3) Sponsor appointed Members. The first Board of Managers will call for the first Annual Meeting of the Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Residential Unit; wherein Sponsor will designate two (2) Board Members and Unit Owners will elect one (1) Board Member until the end of the Sponsor Control Period. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members shall be elected or designated. One (1) member shall be elected/appointed by the Commercial Unit Owner and two (2) members shall be elected by the Residential Unit Owners. The term of office of one (1) Member shall be fixed for three (3) years, the term of office of one (1) of the Member shall be fixed at two (2) years, and the term of office of one (1) Member shall be fixed at one (1) year. The term of office of the Commercial Unit member shall be fixed at three (3) years. Separate ballots shall be conducted for each of the three terms of office. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title

to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration. The Commercial Unit Owner(s) (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for the Commercial Board Members to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration, if not appointed. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor will have voting control and may designate a majority of the Board of Managers until all of the Residential Units in the Condominium are sold. Thereafter, Sponsor shall have the right to designate and/or appoint the Commercial Unit Member to the Board of Managers. In the event the Sponsor no longer owns a Unit in the Condominium, the Sponsor shall no longer be permitted to designate or appoint Members to the Board of Manager. See Section XVIII of the Offering Plan.

3. If Sponsor does not voluntarily relinquish control of the Board of Managers, the Sponsor will have the right to retain control over certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending not more than five (5) years after the first Unit closing; or whenever the unsold Units constitute less than twenty-five (25) percent of the Common Interest, whichever is sooner. During this period the Sponsor will have control of maintenance, facilities and services to be provided to the Condominium and will determine the Common Charges to be paid by all Unit Owners. During this period, Sponsor will have the right to control all decisions including, but not limited to, the determination of Common Expenses, management of the Condominium, the hiring and termination of employees of the Condominium, placing easements on the property and making improvements to Common Elements. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. See Section XIX of the Offering Plan.

4. The Sponsor may veto expenses for a period ending not more than five (5) years after the first unit closing; or whenever the unsold units constitute less than 25% of the common interest, whichever is sooner. Purchasers individually or as a group may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. If the Board were to undertake an action to enforce Sponsor's obligations under the Plan, any special assessments that would be imposed, for payment of such, would be due and payable from all Unit Owners, including Sponsor, as a Unit Owner. In the event the Unit Owners

are unsuccessful in an action against the Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant the Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding the Sponsor. At no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) remedy a matter regarding the health and safety of the occupants of the Building. Sponsor must enforce its obligations under the Plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. See Section XVIII of the Offering Plan and Schedule B.

5. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT, the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

The Mansion Tax is required to be paid by the Purchaser; however, the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the Sponsor is required to pay. When the Sponsor is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the Sponsor and the Purchaser.

The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

- The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.

- The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The Sponsor is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the Sponsor fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the Sponsor has failed to pay, the additional base tax becomes the joint and several liability of the Sponsor and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, Commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the Sponsor is required to pay the tax. When the Sponsor is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the Sponsor and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property. See Footnote 7 to Schedule A and Section XVI of the Offering Plan as to how the above taxes are calculated. See the Purchase Agreement set forth as Schedule D.

6. Sponsor will endeavor in good faith to sell the Residential Units in the Condominium; however, Sponsor is retaining the unconditional right to rent rather than sell the Units (with respect to the Residential Units, upon consummation of the Plan). Because Sponsor is retaining the unconditional right to rent rather than sell the Units, this plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (2 Residential Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. See Section I and XV of the Plan.

7. Sponsor has not been required to post a completion bond with the City of New York covering the Common Elements. In addition, no bond or other security has been posted to secure Sponsor's obligations under the Offering Plan. Sponsor has sufficient financial resources to fulfill its obligations under the Plan. See Section XVII.

8. Although all funds received by Sponsor for upgrades or extras to a Unit will initially be placed in the Escrow Account as described in Section X of the Offering Plan, such funds may be released from the Escrow Account as long as the Sponsor uses the funds for such upgrade or extra. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor, and actually expended, for upgrades or extras. In the event the Offering Plan is abandoned, the Sponsor will return funds received for upgrades or extras. See Section XV of the Offering Plan.

9. Sponsor and/or the Board of Managers shall have the right to waive Unit Owner obligations to pay Common Charges from and after the first Unit closing for a period to be determined by the Sponsor or the Board of Managers ("Waiver Period") provided the basic operating costs of the Condominium, including without limitation any insurance premiums and reserve fund (collectively, "Operating Costs") are paid by either (i) Sponsor ("Sponsor Paid Waiver Period") or (ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, according to the allocation of Common Expenses set forth in the Offering Plan ("Unit Owners Paid Waiver Period"). Such Unit Owner Waiver Period shall be at the discretion of Sponsor and/or the Board and shall mean the payment of the basic operating costs (not the full budget). If the Sponsor or Board of Managers elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the expiration date of the Waiver Period, (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period and Sponsor shall remain obligated to update the certified budget and provide audited/certified financial statements. Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g., seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Depending on the occupancy level in the Building it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases. In the event the Sponsor or the Board of Managers thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Board of Managers shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, during any Waiver Period (regardless whether the Sponsor Paid Waiver Period or the Unit Owners Paid Waiver Period), Unit Owners will remain

responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including without limitation (as applicable) real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Board of Managers for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. See Section XX of the Plan.

10. The Board of Managers 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 Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $1,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the Condominium By-Laws. In addition, all Unit Owners are urged to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, 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 of Managers 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. All insurance policies required to be maintained by the Board of Managers will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws. See Section XX of the Offering Plan.

11. No Residential Unit Owner will be permitted to make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, or any Residential Unit Limited Common Element, without the prior written approval of the Board of Managers. Said provision requiring the written consent of the Board of Managers does not apply to the Unsold Units and Limited Common Element appurtenant to any Unsold Unit. See the Declaration and By-Laws in Part II of the Offering Plan.

12. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase agreement and does not obtain financing may lose his or her deposit 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 a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. See Section XI.

13. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (two (2)) of the Residential Units being offered for sale. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, Sponsor must re-declare the Plan effective in order to consummate the Offering Plan. In addition, if all Purchase Agreements are either rescinded or terminated prior to the date of first Unit closing, regardless of whether the Condominium declaration has been recorded, Sponsor must re-declare the Offering Plan effective. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as seventy (70%) percent. 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 ten (10%) percent 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.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, the Sponsor will re-declare the Plan effective if all purchase agreements are either rescinded or terminated prior to the date of first Unit Closing, regardless of whether the Condominium Declaration has been recorded.

See Section XIV as to the requirements of declaring the Plan effective.

14. If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of the Purchase Agreement, Purchaser may cancel the Purchase Agreement by forwarding written notice of cancellation to the other no later than ten (10) days after expiration of such twelve (12) month period whereupon Sponsor shall

refund to Purchaser, subject to the escrow provisions as disclosed in Section XI of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Sponsor on account of the Purchase Price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. See Paragraph 6 of the Purchase Agreement in Part II of the Plan.

15. All deposits received from Purchaser will initially be deposited into an IOLA account of the law firm of Moritt Hock & Hamroff LLP (the “Escrow Agent”) located at 1407 Broadway, 39th Floor, New York, New York 10018, as described in Section X of the Offering Plan. The Escrow Agent has established the Escrow Account at Metropolitan Commercial Bank, located at 1359 Broadway, New York, NY 10018 ("Bank"), telephone: (212) 643-6981, a bank authorized to do business in the State of New York. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. Additionally, any other deposits a Purchaser may have at the escrow bank will count towards the $250,000 FDIC insurance limit. See Section XV of the Offering Plan.

16. The Board of Managers has the right to borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owners of said Unit. See Section XIX of the Offering Plan.

17. The projections for the first year of operation of the Condominium contained in the budget are only estimates and the actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially in recent years. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the proposed first year budget will be applicable at the time of the first closing of a Residential Unit in the Condominium. At this time the Sponsor is not including legal expenses in the budget. Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy.

No representation is being made that any budgeted yearly reserve fund will be sufficient to provide for needed capital expenditures within (5) five years following the first closing under the Plan.

All amenities will be fully operational as of the date of commencement of Condominium operation. See Schedule B for the estimated insurance costs of the Condominium. See Schedule B, the proposed first year budget and the footnotes immediately following thereto.

18. Purchasers should note that it shall be the responsibility of each Purchaser to pay the following additional closing costs: (a) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges to the Condominium, for Working Capital; and (b) $2,500 to Sponsor's attorney for the preparation of the closing documents. In addition, in the event the Sponsor's Attorney is required to prepare the New York City "ACRIS" transfer documents Purchaser shall be required to pay Sponsor's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company.

In the event a closing is adjourned with Sponsor's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $500. In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250. See Section XVI of the Offering Plan.

19. The building is all new construction. Construction permit was issued May 28, 2024 and substantial completion is anticipated December, 2025. See Description of Property Report in Part II of the Offering Plan.

20. If through no fault of Sponsor, Purchaser fails for any reason to close title after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing Date (as the case may be).

In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to .0438% per day (which equals an annual rate of 16%) of the purchase price for the Unit for each day beyond such originally scheduled or Sponsor adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges. Such interest rate shall not surpass the legal limit under applicable law. See Section XVI of the Offering Plan.

21. Purchasers should note, that if a Purchaser fails to appear and close title in accordance with the Purchase Agreement on the date and at the time and place stated in Sponsor's notice for closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default, **time being of the essence.** Time of the essence indicates that failure to cure the default by a certain date will constitute and incurable default under the Purchase Agreement. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed canceled and Sponsor shall have the right to retain, as and for liquidated damages, all sums paid by Purchaser to Sponsor on account of the purchase price plus all additional sums paid and/or payable by Purchaser for all extras ordered by Purchaser,

together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable. See Section XVII of the Offering Plan

22. Each Unit shall be measured from (I) the exterior face of any exterior walls directly enclosing the Unit (perimeter and mechanical pipes are not deducted) (II) the center line of any wall or partition separating the unit from another Unit; and (III) the outside face of any demising wall or partition separating the Unit from any common areas, mechanical areas, elevator shafts, egress stairs or trash rooms where those elements do not exclusively serve the Unit. Where furring wall or chase space serving the Unit is adjacent to the structural shear wall bounding the egress stair, the area is taken to the inside face of structural shear wall. The approximate floor area of each terrace or balcony has been measured horizontally from the exterior face of any exterior parapet or wall directly enclosing the terrace or balcony to the exterior face of the enclosed space. Any Common Elements located within a Condominium Unit are not considered part of such Condominium Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Unit is substantially less than the area listed in Schedule A.

23. Purchasers should note a decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. See Section IX of the Offering Plan.

24. Purchasers should note that the Sponsor reserves the right to select the ultimate location of kitchen and bathroom cabinets, which may differ from the locations set forth on the floor plans. In the event an affected Unit is under contract, Sponsor shall first obtain consent from the Purchaser of said Unit. Sponsor is obligated to construct the premises in accordance with building plans and specifications. If Sponsor alters layouts and/or floor plans, Sponsor must receive approval from all applicable governmental agencies. Any material modification to or variation therefrom will first be disclosed in an amendment to the Offering Plan. See Section XV of the Offering Plan.

25. The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. The risk of loss from fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser.

In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have his or her contractors or agents enter the Residential Unit to perform work prior to closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of extras ordered, as liquidated damages. In that Sponsor

is not entering into any interim leases so there should be no pre-closing possession. Purchasers should refer to Paragraph 22 of the Purchase Agreement.

26. Purchasers should note Sponsor excludes the specific warranties of Article 36-B of the GBL and all other warranties and is instead providing each Purchaser with a Limited Warranty.

This Condominium is subject to the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, which pertains to warranties on the sale of certain new Residential Units (See Section N of Part II of the Offering Plan). This law is applicable to all Residential Units offered for sale under this Plan. Pursuant to the terms of this law, the Sponsor is giving a Limited Warranty to Purchasers, which provides for a Limited Warranty on certain items. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first Residential Unit Buyer only, not to subsequent purchasers; Sponsor's liability is limited to Fifty Thousand ($50,000.00) Dollars; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor.

Regardless of any limitations in the warranty or in this Offering Plan, Sponsor's obligation cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications, as same may be amended and locally accepted building practices for items, which are not covered by codes. 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 Condominium will be built in accordance with the building plans and specifications identified in the Plan. Local Law 11/98 is not applicable because the building will be less than 6 stories.

Purchasers are advised to review Section XVII of the Offering Plan, entitled Rights and Obligations of the Sponsor, which discusses items that are not considered material adverse conditions.

27. Sponsor has obtained financing (the "Building Loan") from Ponce Bank, ("Lender"), having an office at 2244 Westchester Avenue, Bronx, New York 10462, which has enabled Sponsor to purchase and update the Development. After the recording of the Declaration and before the closing of title to the first Unit, any Building Loan mortgage will be satisfied or released, such that the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Lender has not placed any other

restrictions on the marketing, selling, or renting of Units. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase price, but rather Sponsor may use the proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor's Building Loan added to Purchaser's individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage.

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor's construction loan. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (two (2)) of the Residential Units being offered for sale.

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

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units;
(ii) subordinate the lien of its mortgage to the declaration of condominium; or
(iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

There will be no steps needed to be undertaken by Purchaser; Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any. Any fees imposed by a Purchaser's lender shall be at the sole cost and expense of Sponsor. If there is any possibility that Purchaser or a Purchaser's mortgage commitment could be adversely affected by a request for an assignment, then Sponsor shall have not the right to make such request.

Purchasers should note, in the event Sponsor seeks an assignment of a portion of the Building Loan to Purchaser's mortgage lender, in order to get the benefit of any available mortgage tax savings, such severance and assignment would not result in any additional risk or cost to the Purchaser. Sponsor will initiate any severance and assignment transaction only after financing has been procured by Purchaser. Furthermore, should this transaction fail to take place and result in the loss of Purchaser's financing commitment, then Purchaser will be afforded an opportunity to obtain new financing, if Purchaser so elects. See Section I of the Offering Plan.

28. Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas. The Sponsor does not currently have any other projects in the immediate vicinity, nor has Sponsor been made aware of same. See Section IV of the Offering Plan.

29. There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire.

Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers and does not have a right of first refusal on Purchases.

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state rent regulation and is not subject to a right of first refusal by the Board of Managers. See Section I and XIX of the Offering Plan.

30. Purchasers should note, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident owners, such as sponsor, may have inherent conflicts on management of the Condominium. See Section XVIII of the Offering Plan.

31. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert. See Section XXII of the Plan.

32. Sponsor anticipates that the closing to the first Residential Unit will occur on or about January 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than December 31, 2026, twelve (12) months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date. All common elements, including but not limited to the recreation roof terrace, will be fully operational as of the date of commencement of Condominium operation. will be fully operational as of the date of commencement of the Condominium operation.

However, if the first unit closing occurs before December 31, 2026, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD

THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See Section XV of the Offering Plan.

33. Purchasers should note that on October 10, 2025 the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of an updated Geographic Targeting Order ("GTO"), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in an amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after February 28, 2026.

Further information regarding the revised GTO is available at the following web address:

https://www.fincen.gov/news/news-releases/fincen-renews-residential-real-estate-geographic-targeting-orders-0

See Section XI of the Offering Plan.

34. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Board of Managers (the "Board") of the Condominium (the "Condominium"), have adopted the following smoking policy (the "Smoking Policy") for the Building:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal

substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PROHIBITED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation. This Smoking Policy shall become effective immediately. The Board will advise Unit Owners of any changes to the Smoking Policy.

35. All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balconies or terraces), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is a Limited Common Element of their Residential Unit. Although the cost of repairs and replacements to Limited Common Elements shall be borne by the Residential Unit Owners, the Board of Managers shall be charged with performing all repairs and replacements at the Residential Unit Owners sole cost and expense. See Section I of the Offering Plan.

36. The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge. See Section XXII of the Offering Plan.

37. Purchaser should note, the Purchase Agreement contains a representation from the Purchaser that no broker other than Sponsor's broker (the "Broker") brought about the sale, and Purchaser agrees to indemnify Sponsor against any claim brought by any other broker for brokerage commission based upon Purchaser's acts relating to the purchase and sale in this Condominium. Sponsor shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith, and Sponsor shall not be responsible for any co-broker commission. Sponsor may be entitled to legal fees if sponsor is the prevailing party. See the Purchase Agreement in Part II of the Offering Plan.

38. Purchaser should note, any failure by Sponsor to insist upon strict performance by Purchaser of any of Purchaser's obligations under the Purchase Agreement shall not be deemed a waiver of such obligations, and Sponsor may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under the Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of the Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of the Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect.

Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to the Purchase Agreement or the Plan. Whether Purchaser or Sponsor commences an action, the reasonable legal fees and disbursements shall be paid by the prevailing party. Further Purchaser agrees to waive the right to file a Lis Pendens. See the Purchase Agreement in Part II of the Offering Plan.

If the Sponsor/Sponsor seeks to enforce or defend any of its rights, then the Purchaser may be required to pay the Sponsor/Sponsor's attorneys' fees if the Sponsor is the prevailing party.

39. Purchasers should note that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result the Condominium will be eligible to be treated as a tax-exempt organization under Section

528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXIV of the Offering Plan.

40. In the event the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against said Unit for the six (6) month period following the first closing. This is a determination made by the taxing authority and not in control of the Sponsor. Said amount is to be paid by Purchaser. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes.

The projected tax liabilities for the first year of Condominium from January 1, 2026 to December 31, 2026 are based on the post-completion assessment. See Section XXII of the Offering Plan.

41. Purchaser shall not place an advertisement for the sale of a Unit in any newspaper or other publication or media, or list a Unit with any real estate broker prior to Closing. Such action will constitute a material breach of the Purchase Agreement entitling Sponsor to retain monies paid on account of the Purchase Agreement plus the cost of extras as liquidated damages. See Purchase Agreement in Part II of the Plan.

42. Unless specifically agreed to by Sponsor in writing, Purchaser shall not visit the Unit or the Construction Site, and shall only have the right to visit the Sponsor's sales office (the "Sales Office"), unless accompanied by a Sponsor representative. Any unauthorized visits to the Construction Site by Purchaser shall be considered trespassing and are subject to a charge by Sponsor of $500 per visit, which Purchaser agrees to pay Sponsor within ten (10) days of billing thereof. Prospective Purchasers are not prohibited from visiting public areas surrounding the construction site. See Purchase Agreement in Part II of the Plan.

43. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set forth herein. See Section XX of the Offering Plan.

44. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary

certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. See Section XVII of the Offering Plan.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at:

http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

45. At this time, there is no intended use for the Commercial Unit; however, it is currently Occupancy Group: M, Use Group: 6 (retail and service establishments).

The Commercial Unit Owner(s) have the right to subdivide and merge the Unit. The Sponsor and/or Owner(s) of the Commercial Unit will have the right, without the consent of the Board, other Unit Owners or the holders of mortgages on Units, whether before or after the recording of the Declaration of Condominium, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary into and upon their Units; or (b) alter or improve any Limited Common Elements applicable to their Unit; provided, however, that in each instance the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board and all other Unit Owners harmless from any liability arising therefrom. The aforementioned right is not provided to Residential Unit Owners; however, this will not have a material adverse impact upon the Condominium. See Section IX of the Offering Plan.

46. Should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court), the Purchase Agreement contains a clause

requiring that disputes regarding the disposition of deposits, down payments, or advances received by Sponsor be submitted to arbitration. The arbitration forum shall be the American Arbitration Association. Purchasers shall be required to bear the costs of any arbitration, including compensation of the arbitrator(s), if Sponsor is the prevailing party. Additional details, if any, concerning the arbitration clause, may be found in the Procedure To Purchase Section of the Plan and Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in New York County and all motions in any such action shall be made in New York County. If arbitration is used to resolve a dispute herein, the arbitrator will be an independent third party not related to any party in the dispute.

Disputes regarding the disposition of deposits, down payments, or advances received by Sponsor shall be submitted to arbitration. The Purchase Agreement requires arbitration of disputes concerning the disposition of escrowed funds. Purchaser should be advised of the following:

1) the arbitrator will be neutral and independent of the Sponsor and its principal(s);
2) the arbitration forum shall be the American Arbitration Association and the arbitrator selected shall be agreed upon by the parties;
3) the arbitration will take place in the County of New York, State of New York;
4) the parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed;
5) arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules § 7511;
6) the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings;
7) the arbitrators may not have to explain the reason(s) for their award;
8) the rules of some arbitration forums may impose time limits for bringing a claim in arbitration;
9) New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation;
10) the rules of the American Arbitration Association may be found at: www.adr.org/Rules;
11) Purchasers shall be required to bear the costs of any arbitration, including compensation of the arbitrator(s), if Sponsor is the prevailing party. Additional details, if any, concerning the arbitration

clause, may be found in the procedure to purchase section of the plan and Purchase Agreement; and

12) that the deposit shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds must remain in escrow until that proceeding is finally adjudicated.

47. The Commercial Unit windows on the east side contains lot line windows which are glass block and are not operable to have a fire-rating of two (2) hours. The lot line windows are fire protected, and they met the R-2 occupancy permitted requirements for the opening. The lot line windows do not use for natural light or ventilation; all habitable rooms comply with the minimum light and air requirement mandated by Code. If the adjacent property is developed or extended, there will not be any potential problems in the future.

48. In that this project is all new construction, there is no asbestos or lead paint and there are no known environmental issues.

49. There will be a common storage room located in the cellar, which shall be divided into ten (10) individual storage lockers (the “Storage Lockers”) for the Residential Unit Owners; each locker shall be sold by Sponsor pursuant to revocable license agreements (“Storage Locker License Agreement”), on a first come first served basis. Initially Unit Owners will only be permitted to purchase one (1) Storage Locker. The Purchase price of each Storage Locker License is listed in Schedule A-1, following the Footnotes to Schedule A in Part I of the Offering Plan. There shall be no monthly fee for maintenance as indicated on Schedule A-1. Purchasers of Storage Locker Licenses will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the License Agreement. Each Purchaser of a Storage Locker License shall be obligated to pay a fee to Sponsor’s counsel, in the amount of $1,000, for the preparation of the Storage Locker License Agreement. Purchasers should that note Storage Lockers may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Locker Licenses may only convey their Storage Lockers to current or future Residential Unit Owners. The Storage Lockers are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Lockers are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Locker licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. The Storage Lockers will be enclosed by single-tier welded steel mesh. The fire protection of the storage room is by the sprinkler systems.

All Storage Locker License owners, including Sponsor in its role as an unsold Storage Locker License owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage area for the storage locker licenses, and (ii) the payment of any maintenance fees, license fees imposed by the Board related to the storage locker licenses. However, the Board may not impose any fees without the express written consent of the Sponsor. Notwithstanding the foregoing, there shall be no fees paid on Licenses which have not yet been sold. A copy of the Storage Locker License Agreement is annexed hereto as Schedule D-5.

There will be no other residential space in the cellar.

50. The kitchen will be equipped with all major appliances, as follows: an electric stove with an over-the-range microwave above, a refrigerator, a dishwasher and a stainless-steel sink. Within each Residential Unit, a laundry closet with an electric washer and ventless stackable dryer shall be provided.

51. **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. See Section I of the Offering Plan.**

Stanhope Foundry
PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of ten (10) residential Units (the "Residential Units"), one (1) commercial Unit (the "Commercial Unit or "Non-Residential Unit") and ten (10) storage lockers ("Storage Lockers") in a Condominium to be known as Stanhope Foundry, located at 196 Stanhope Street, Brooklyn, NY 11237.

The purpose of the Plan is to set forth all the material terms of the offer for the benefit of prospective Purchasers.

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

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

The Sponsor of the Offering Plan is Stanhope Real Estate Development LLC. Sponsor acquired the property by deed dated October 17, 2023. The property consisted of two lots which contained 2-family dwellings; 196 Stanhope Street and 198 Stanhope Street. 198 Stanhope Street was vacant at the time Sponsor acquired the property. 196 Stanhope Street had an occupying tenant. Sponsor notified said tenant that Sponsor would not be renewing the month-to-month tenancy and tenant agreed to vacate voluntarily. As a courtesy, Sponsor allowed tenant to remain in occupancy for 3 additional months and Sponsor did not collect rent for the last 3 months. 196 Stanhope Street became vacant in or about March 2024 with no Court intervention and no issues between tenant and Sponsor. No rent regulation applied to either of the dwellings.

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

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium, however, Sponsor is retaining the unconditional right to rent rather than sell the Units (with respect to the Residential Units after consummation of the Offering Plan). Because Sponsor is retaining the unconditional right to rent rather than sell the Units this Plan may result in the creation of a condominium in which a majority of the Units

are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective (2 Residential Units) and owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units.

There are a variety of model types of Residential Units. See Schedule G for a detailed description of different type of models. The Closing of Title to the first Residential Unit is estimated to occur on or about January 1, 2026, subject to weather conditions and other factors beyond Sponsor's control. The land and all improvements to be erected thereon are hereinafter referred to as the "Community", the "Condominium" or the "Development".

The Condominium will consist of ten (10) Residential Units, one (1) Commercial Unit and ten (10) Storage Lockers located in a five (5) story building with cellar, roof and bulkhead. The Condominium will consist of a total lot area of approximately 4,000 square feet. There will be Residential storage space in the cellar, consisting of one (1) storage room divided into ten (10) Storage Lockers. There will be no other residential space in the cellar. At this time, there is no intended use for the Commercial Unit; however, it is currently Occupancy Group: M, Use Group: 6 (retail and service establishments).

The cellar consists of one (1) Commercial Unit (#C1), an indoor gym, a restroom, a trash room, and equipment rooms including the water, electrical meter room and hot water heater room. Apartment 2B has one (1) private roof terrace: 354.6 square feet with access through a glazed sliding door in the living/dining room. Apartment 3C has (1) private balcony: 47 square feet with access through a glazed sliding door in the living/dining room. Apartment 4C has (1) private balcony: 47 square feet with access through a glazed sliding door in the living/dining room. Apartment 5A has one (1) private roof terrace: 297 square feet with access through a glazed sliding door in the living/dining room. Apartment 5B has (1) private balcony: 47 square feet with access through a glazed sliding door in the living/dining room. All roof terraces and balcony finishes shall be appropriate for daily pedestrian foot traffic use.

There will be a common storage room, which shall be divided into ten (10) individual storage lockers (the "Storage Lockers"); each locker shall be sold by Sponsor pursuant to revocable license agreements ("Storage Locker License Agreement"), on a first come first served basis. Initially Unit Owners will only be permitted to purchase one (1) Storage Locker. The Purchase price of each Storage Locker License is listed in Schedule A-1, following the Footnotes to Schedule A in Part I of the Offering Plan. There shall be no monthly fee for maintenance as indicated on Schedule A-1. Purchasers of Storage Locker Licenses will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the License Agreement. Each Purchaser of a Storage Locker License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage

Locker License Agreement. Purchasers should that note Storage Lockers may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Locker Licenses may only convey their Storage Lockers to current or future Residential Unit Owners. The Storage Lockers are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Lockers are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Locker licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. The Storage Lockers will be enclosed by single-tier welded steel mesh. The fire protection of the storage room is by the sprinkler systems.

All Storage Locker License owners, including Sponsor in its role as an unsold Storage Locker License owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage area for the storage locker licenses, and (ii) the payment of any maintenance fees, license fees imposed by the Board related to the storage locker licenses. However, the Board may not impose any fees without the express written consent of the Sponsor. Notwithstanding the foregoing, there shall be no fees paid on Licenses which have not yet been sold. A copy of the Storage Locker License Agreement is annexed hereto as Schedule D-5.

Sponsor has obtained financing (the "Building Loan") from Ponce Bank, ("Lender"), having an office at 2244 Westchester Avenue, Bronx, New York 10462, which has enabled Sponsor to purchase and update the Development. After the recording of the Declaration and before the closing of title to the first Unit, any Building Loan mortgage will be satisfied or released, such that the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Lender has not placed any other restrictions on the marketing, selling, or renting of Units. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase price, but rather Sponsor may use the proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor's Building Loan added to Purchaser's individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage.

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor's construction loan. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project. Sponsor

may declare the Plan effective by selling a minimum of fifteen (15%) percent (two (2)) of the Residential Units being offered for sale.

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

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units;
(ii) subordinate the lien of its mortgage to the declaration of condominium; or
(iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

There will be no steps needed to be undertaken by Purchaser; Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any. Any fees imposed by a Purchaser's lender shall be at the sole cost and expense of Sponsor. If there is any possibility that Purchaser or a Purchaser's mortgage commitment could be adversely affected by a request for an assignment, then Sponsor shall have not the right to make such request.

Purchasers should note, in the event Sponsor seeks an assignment of a portion of the Building Loan to Purchaser's mortgage lender, in order to get the benefit of any available mortgage tax savings, such severance and assignment would not result in any additional risk or cost to the Purchaser. Sponsor will initiate any severance and assignment transaction only after financing has been procured by Purchaser. Furthermore, should this transaction fail to take place and result in the loss of Purchaser's financing commitment, then Purchaser will be afforded an opportunity to obtain new financing, if Purchaser so elects.

As in the ownership of a private one-family home, the Purchaser of a Unit in a Condominium (the "Unit Owner") owns the Unit in fee simple absolute and is entitled to exclusive possession of the Unit. Each Purchaser will also own an undivided interest in and right to use the General Common Elements and an exclusive right to use any Limited Common Elements that pertain to the individual Unit or Units. All Unit Owners will own in common the roof and all of the land and improvements located outside of the Units. Any portion of the exterior facade that is included in the measurement of a Residential Unit will be the responsibility of the Condominium to maintain, repair and replace as necessary. All portions of the exterior facade that are not included in the measurement of a Residential Unit will be a General Common Expense of the Condominium.

The square footage of a Unit set forth in the floor Plans, Schedule A to the Offering Plan and Schedule B to the Condominium Declaration, are approximate and are based upon the following method of tabulation: Each Unit shall be measured from (I) the exterior face of any exterior walls directly enclosing the Unit (perimeter and mechanical pipes are not deducted) (II) the center line of any wall or partition separating the unit from another Unit; and (III) the outside face of any demising wall or partition separating the Unit from any common areas, mechanical areas, elevator shafts, egress stairs or trash rooms where those elements do not exclusively serve the Unit. Where furring wall or chase

space serving the Unit is adjacent to the structural shear wall bounding the egress stair, the area is taken to the inside face of structural shear wall. The approximate floor area of each terrace or balcony has been measured horizontally from the exterior face of any exterior parapet or wall directly enclosing the terrace or balcony to the exterior face of the enclosed space. Any Common Elements located within a Condominium Unit are not considered part of such Condominium Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Unit is substantially less than the area listed in Schedule A.

Any equipment or fixtures described in the Offering Plan as being part of a Residential Unit are included in the offering prices set forth herein.

Any doors or windows which open from the Unit or area appurtenant to the interior of the Unit shall be deemed part of the Unit. No Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit.

The Common Elements are described as follows:

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

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

2. The roofs of the Building, excluding and Limited Common Elements;

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

4. All stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which service the entire Condominium.

5. All improved and unimproved areas of the Condominium located outside the boundaries of the Units;

6. All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common

Elements) and all other mechanical equipment spaces that service the entire Condominium;

7. All sewer pipes and drainage pipes and facilities that service the entire Condominium;

8. All mechanical equipment, refuse rooms, utility meters, storage areas, if applicable, that service the entire Condominium;

9. Any heating, cooling or other mechanical system located in the Common Elements servicing the entire Condominium;

10. The elevator servicing the entire Condominium;

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

B. Restricted/Limited Common Elements – Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Boards of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or the Common Elements and subject to the Rules and Regulations of the Board. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. The following are descriptions of the irrevocable restricted Limited Common Elements:

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

(a) Any portion of the roofs that service only the Residential Area of the Condominium;

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

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

(d) All stairs, stairways, common hallways which are not located wholly within a Residential Unit and entrances and exits to and from the Condominium other than entrances to the individual Residential Units which service solely the Residential Area of the Building;

(e) All improved and unimproved areas of the Condominium located outside the boundaries of the Residential Units that service the Residential Area of the Condominium;

(f) All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that service only the Residential Area of the Condominium;

(g) All sewer pipes and drainage pipes and facilities that service only the Residential Area of the Condominium;

(h) All mechanical equipment, mechanical and equipment rooms, refuse rooms, utility meters, utility rooms, meter rooms, storage areas, if applicable, that service only the Residential Area of the Condominium;

(i) Any heating, cooling or other mechanical system located in the Common Elements servicing only the Residential Area of the Condominium;

(j) Any intercom system and/or security cameras that service the Residential Units exclusively;

(k) The residential lobby;

(l) The indoor gym;

(m) The cellar restroom;

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

The Residential Restricted Common Elements servicing the Residential Units shall be maintained, repaired and replaced by the Residential Unit Owners. The cost of any such maintenance, repair and/or replacement shall be allocated to all Residential Unit

Owners based upon their Residential Percentage of Common Interest, as set forth in Schedule B-1 to the Declaration. Although the cost of repairs and replacements to Residential Restricted Common Elements shall be borne by the Residential Unit Owners, the Board shall be charged with performing all maintenance, repairs and replacements. Notwithstanding the foregoing, the cost for maintenance, repair and/or replacement of Residential Restricted Common Elements that are part of the structural components serving the entire Condominium will be borne by all Unit Owners according to their percentage of Common Interest in the Condominium.

2. Limited Common Elements – Limited Common Elements are irrevocably restricted in use to a specific Unit. The following are descriptions of irrevocable Limited Common Elements:

(a) Any balcony or terrace appurtenant to a Residential Unit;

(b) Any heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements; and

(c) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Residential Unit exclusively.

All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balconies or terraces), shall be the responsibility of the Unit Owner whose balcony or terrace is a Limited Common Element of their Unit. Although the cost of repairs and replacements to Limited Common Element shall be borne by the Individual Unit Owner, the Board shall be charged with performing all repairs and replacements at the Unit Owners sole cost and expense.

C. Provisions Applicable to the Commercial Unit Owner

1. Certain Common Elements, as detailed below in items (a) through (b), which service the Commercial Unit, shall be maintained, repaired and replaced by the Board of Managers and the cost of any such maintenance, repair and/or replacement, shall be allocated to the Commercial Unit Owner based on such Unit Owner's Percentage of Common Interest.

a. The exterior entryways and doors that are used to access the Commercial Unit;

b. The water, electrical meter, and hot water heater servicing only the Commercial Unit;

c. Any storefront window systems appurtenant to the Commercial Unit.

D. Provisions Applicable to All Common Elements -

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

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

3. The percentage of the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

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

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balconies or terraces), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is a Limited Common Element of their Residential Unit. Although the cost of repairs and replacements to Limited Common Elements shall be borne by the Residential Unit Owners, the Board of Managers shall be charged with performing all repairs and replacements at the Residential Unit Owners sole cost and expense.

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

The Balconies and/or terraces are not permitted to be used for storage or trash storage and are not permitted to be enclosed. Balcony and Terrace space may not be

legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building.

No flammable, combustible or explosive fluid, material, chemical or substance is permitted to be stored in the balconies and/or terrace. Purchasers should review Schedule A herein for more details of the Limited Common Elements included with the Units.

A Unit Owner is required to pay monthly Common Charges assessed by the Board for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. The Percentage of Residential Common Interest determines the amount a Residential Unit Owner will pay for Common Charges, based on the Schedule B. The Commercial Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear a properly allocated share of the expenses of the Condominium, all as described in Schedules A, and B of the Plan and Article 6 of the By-Laws. The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are set forth in Schedule A. Monthly Common Charges may commence with the Closing of the first Residential Unit which is expected to occur on or about January 1, 2026, however, see Section XX of the Offering Plan as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. In addition, each Unit Owner is responsible for maintenance and repair to their own Unit, and all insurance coverage to their Unit.

Until title to a Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and Special Assessments as are assessed by the Board on Units, built or unbuilt, to which title has not passed. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges associated with the Unit. No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements. A Unit Owner, upon acquiring title to the Unit, will be obligated to comply with the Declaration of Condominium, By-Laws and Rules and Regulations and any other requirements of the Board.

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit, however, may only be for residential purposes as described in Section XX of the Offering Plan. Each sold or leased Residential Unit may be used only as a residential dwelling and any other incidental home occupation permitted by law and for other purpose and shall be occupied in accordance with the laws prohibiting overcrowding and the requirements of the Condominium documents. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XXI of the Offering Plan. The Board does not have a right to approve or disapprove purchasers. Residential Units can be sold by a Residential Unit Owner, provided that the Residential Unit Owner is not in arrears on the payment of Condominium Common Charges (except where the payment of such unpaid Common Charges are paid by the Grantee or provided for out of the proceeds of the sale), subject to restrictions contained in the mortgage, if any, covering their Residential Unit and subject to notice to the Board within thirty (30) days of the execution of a Purchase Agreement advising the Board the name and address

of the Purchaser. A Residential Unit Owner is free to make a gift of the Residential Unit to anyone during the Residential Unit Owner's lifetime or to devise the Residential Unit Owner's Residential Unit by will, or to have it pass by intestacy without any restriction. No Residential Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements. There is no limit on the number of owners or investors that may purchase Residential Units for investment, rather than for personal occupancy. As such, there may be a substantial percentage of owners who are not residents of the Condominium.

The Commercial Unit Owner(s) shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Commercial Unit without the Board having any right of first refusal to sell or lease, or to procure a third party to sell or lease, the same, and all sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Residential Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. **The obligations of a purchaser under the Purchase Agreement are not condition on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit 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 a Purchase Agreement. No representation is made by the sponsor as to the availability or cost of such financing.**

Residential Unit Owners may mortgage their Residential Unit upon or after they acquire title to the Residential Unit in whatever amount and under whatever terms they can obtain. Any Residential Unit Owner who mortgages their Residential Unit will be required to provide the Board with the name and address of the mortgagee within thirty (30) days of the issuance of the mortgage.

Any Residential Unit Owner may, also, grant a purchase money mortgage to a Purchaser of the Residential Unit. A Residential Unit Owner may mortgage their Residential Unit only if all arrears for Common Charges, if any, are paid in full at the closing of the mortgage.

Primary responsibility for operating the Condominium rests with the Board of Managers whose members are elected by the Unit Owners. Each Unit Owner, upon obtaining title, will automatically have one vote for each .01% (rounded off to the nearest

.01%) of Common Interest attributable to its Unit or Units at all meetings of the Unit Owners.

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payment on any other Unit. In the opinion of Counsel, a Residential Unit Owner is presently entitled to deductions for income tax purposes for the Residential Unit Owner's payments for real estate taxes on the Residential Unit. In addition, provided the Residential Unit will be the Purchaser's principal residence or one other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986, a Residential Unit Owner may also deduct on their income tax the interest on the mortgage procured to finance the purchase of their Residential Unit. See Section XXII of the Offering Plan. Purchasers are advised to consult their own tax consultant regarding the tax implications of their purchase.

Fire and liability insurance covering the Common Elements are included with other items as part of the Common Charges but fire and liability insurance for the Purchaser's personal effects and the interior of the Residential Unit must be carried by the individual Purchaser. For possible increases in Common Charges upon default in payment by a Residential Unit Owner see Section XIX of the Offering Plan. Each Residential Unit Owner is responsible for the cost of their own interior repairs and decoration in their Residential Unit after Closing.

The prices for the Residential Units are set forth in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR ALONE AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Exhibits submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection by prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium site whenever the onsite sales office is open and at the office of the Sponsor, as well as the Department of Law, 28 Liberty Street, New York, New York 10005.

There are no restrictions on who may purchase a Residential Unit in the Condominium, except that this offer is made only to persons over eighteen (18) years of age.

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

II. DEFINITIONS

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

1. “Board of Managers” or the “Board” – The governing body of the Condominium responsible for its affairs.

2. “Board Member” or “Member” – Each individual representative elected, designated or appointed to the Board of Managers.

3. “Building” - The one (1) building, which includes the Residential and Commercial Unit and the Common Elements.

4. “By-Laws” – The document governing the operation of the Condominium.

5. “Closing” or “Close Title” or “Closing of Title” – The consummation of the sale of the Unit transferring title via a deed from the Sponsor to the Purchaser.

6. “Closing Costs” or “Closing Adjustments” or “Closing Fees” – Fees and expenses, over and above the price of the Unit incurred by the Purchaser and/or Sponsor at the Closing.

7. “Closing Date” or “Date of Closing” – The date of Closing of Title.

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

9. “Common Elements” - All portions of the Condominium, other than the Units. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners, including all sewer and drainage pipes for the Building, and Limited Common Elements which are Common Elements that are restricted for the exclusive use of an individual Residential Unit Owner.

10. “Common Expenses” - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

11. “Common Interest” - The proportionate, undivided interest each Unit Owner has in the Common Elements.

12. “Condominium” – Stanhope Foundry, which is comprised of the Common Elements, Residential Units, the Commercial Unit and Unit Owners.

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

14. “Equal or Better Quality” – Shall be defined as comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

15. “Escrow Account” – The attorney’s account where a Purchaser’s initial deposit will be held as provided for in Section XII of the Offering Plan.

16. “Escrow Agent” – The attorney or law firm overseeing the Escrow Account as provided for in Section XII of the Offering Plan.

17. “Lender” or “Construction Lender” -The lending Institution providing Construction financing for the project.

18. “Limited Common Elements” - A Common Element appurtenant to a particular Residential Unit or Units, the use of which is restricted to the Owners of such Residential Unit or Units.

19. “Officers” – The Officers of the Condominium elected or designated by the Boards of Managers.

20. “Purchase Agreement” – The document to be executed by a Purchaser, which will obligate a Purchaser to acquire the Unit in the Condominium and which will obligate the Sponsor to sell the Purchaser the Unit in the Condominium.

21. “Purchaser” – The person(s) or entities who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

22. “Residential Area” – The areas of the Buildings containing the Residential Units, Residential Restricted Common Elements and certain Limited Common Elements.

23. “Sponsor” – Stanhope Real Estate Development LLC, a New York limited liability company and its successors, assigns and designees.

24. “Sponsor Control Period” – The time period in which the Sponsor still owns a Residential Unit in the Condominium and is entitled to appoint a majority of the members of the Board. Sponsor has the right to maintain a majority of the Board of Managers of the Condominium until all of the Residential Units in the Condominium are sold. Additionally, while the Sponsor continues to own the Commercial Unit, Sponsor shall have the right to

designate and/or appoint the Commercial Unit Member to the Board of Managers. In the event the Sponsor no longer owns a Unit in the Condominium, the Sponsor shall no longer be permitted to designate or appoint Members to the Board of Manager.

25. “Storage Locker” – one (1) of the ten (10) individual storage lockers located in the cellar.

26. “Storage Locker License” – the revocable license agreement between Sponsor and Purchaser for the exclusive use of one (1) of the ten (10) individual Storage Lockers.

27. “Unit” – A Unit includes all the Units in the Condominium. The Units are divided as follows:

    (a) “Residential Units” – The Units designated in the Declaration of Condominium for residential use.

    (b) “Commercial Unit” or “Non-Residential Unit” – The Unit designated in the Declaration of Condominium for any lawful purpose, including without limitation, for retail purposes.

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

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

    (b) “Commercial Unit Owner” or “Non-Residential Unit Owner” – The Owner of the Commercial Unit.

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

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location/Improvements/General Description

The Condominium is located at 196 Stanhope Street, Brooklyn, New York 11237. The building is all new construction. Construction permit was issued May 28, 2024 and substantial completion is anticipated December 2025.

The Condominium, as fully developed will consist of ten (10) Residential Units (the "Residential Units"), one (1) Commercial Unit and ten (10) Storage Locker Licenses. The Residential Units are located on floors 2 through 5 in the Building. The kitchen will be equipped with all major appliances, as follows: an electric stove with an over-the-range microwave above, a refrigerator, a dishwasher and a stainless-steel sink. Within each Residential Unit, a laundry closet with an electric washer and ventless stackable dryer shall be provided. There will be one (1) passenger elevator in the building. In that this project is all new construction, there is no asbestos or lead paint and there are no known environmental issues.

There will be a common storage room, which shall be divided into ten (10) individual storage lockers (the "Storage Lockers"); each locker shall be sold by Sponsor pursuant to revocable license agreements ("Storage Locker License Agreement"), on a first come first served basis. Initially Unit Owners will only be permitted to purchase one (1) Storage Locker. The Purchase price of each Storage Locker License is listed in Schedule A-1, following the Footnotes to Schedule A in Part I of the Offering Plan. There shall be no monthly fee for maintenance as indicated on Schedule A-1. Purchasers of Storage Locker Licenses will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the License Agreement. Each Purchaser of a Storage Locker License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage Locker License Agreement. Purchasers should that note Storage Lockers may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Locker Licenses may only convey their Storage Lockers to current or future Residential Unit Owners. The Storage Lockers are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Lockers are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Locker licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. The Storage Lockers will be enclosed by single-tier welded steel mesh. The fire protection of the storage room is by the sprinkler systems.

All Storage Locker License owners, including Sponsor in its role as an unsold Storage Locker License owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage area for the storage locker licenses, and (ii)

the payment of any maintenance fees, license fees imposed by the Board related to the storage locker licenses. However, the Board may not impose any fees without the express written consent of the Sponsor. Notwithstanding the foregoing, there shall be no fees paid on Licenses which have not yet been sold. A copy of the Storage Locker License Agreement is annexed hereto as Schedule D-5.

There are multiple types of Units. The types and number of rooms, layouts and variations of the Units are set forth in the Description of Property Report in Part II of the Plan. The building plans are available for inspection at the Sponsor's office.

Any equipment, appliances, fixtures and partition walls described in the Offering Plan as being part of a Unit, are included in the offering prices set forth herein.

The Units, the Buildings containing them and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction, and the Sponsor and all other persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules and regulations and other governmental requirements pertaining thereto. Construction of the Condominium will comply with the Building Code of the City of New York or New York State Building Code, as applicable. Before the Closing of Title to a Unit, a temporary or permanent Certificate of Occupancy will be issued for such Unit. At the time of the Closing of Title to the first Residential Unit the construction of the Residential Area of the Condominium may be substantially completed. Use of the elevators and residential lobby will be available upon Closing of the first Residential Unit.

Construction Data for Residential Units and Common Elements

The Condominium will be constructed in the manner set forth in the Building Plans filed with Building Department of the City of New York and any amendments or changes thereto. Amendments or changes to the Building Plans will not be changed or amended so as to materially adversely affect the Residential Unit Owners. For a detailed description see Schedule G in Part II of the Plan.

The Sponsor anticipates completion of the entire Building by December 2025. The Closing of Title to the first Residential Unit is expected to take place on or about January 1, 2026 barring weather conditions, any strikes, material shortages, acts of God, sales activity or other unforeseen delays beyond the control of the Sponsor.

Sponsor retains the right to make changes to the Condominium as long as they comply with the New York City Department of Buildings or the New York State Building Code, as applicable.

Landscaping:

Landscaping will be as described in the Description of Property Report in Part II of the Offering Plan.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements, including any Limited Common Elements, or which are located in other Units. Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Condominium and any replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Condominium or repair or alteration of the Unit by the Boards, after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or by reason of an alteration made by a board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units. The Board, their agents and employees shall have a right of access to the Units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair, replace or rebuild the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit. The Condominium shall also have an easement and unlimited access to any Limited Common Elements for the purpose of making inspections, repairs or to rebuild the Condominium.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been made based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

Parking Facilities

The Condominium will not contain and Parking.

IV. LOCATION AND AREA INFORMATION

Location

The Condominium is located on Stanhope Street, just off of Knickerbocker Avenue. The Condominium is zoned C4-3, which permits construction of the Building as a mixed-use Condominium.

The Condominium will be serviced by the following municipal services:

Police: The Condominium site is served by the New York City Police Department Precinct 83, 480 Knickerbocker Ave, Brooklyn NY 11237, 0.2 miles from the Condominium.

Fire: The Condominium is served by the FDNY Engine 277 and Ladder 112, located at 582 Knickerbocker Ave, Brooklyn NY 11221 approximately 0.5 miles from the Condominium.

Location, Surrounding Area, City Services

Subway transportation is close with the nearest station at Knickerbocker Avenue between Harman Street and Green Avenue Street, Brooklyn, NY 11237.

Pick-up schedule Trash shall be picked up by New York City Department of Sanitation (three times a week for trash and once a week for recycling items or depending on the schedule of the area).

The following utilities will service the Condominium:

Electricity: Electricity will be provided by Consolidated Edison Company ("Con Ed"), a regulated company. Electrical usage for the Units shall be separately metered and billed directly to each Unit Owner. Electrical usage for the Common Elements shall be a Common Expense and included within the Common Charges payable by the Unit Owners.

Gas: There will be no gas in the Condominium.

Water and Sewer: Water and Sewer service will be provided by the New York City Water Board and City Sewer System. The charges for water and sewer service provided to the Building will be a Common Expense and included within the Common Charges payable by the Unit Owners.

Telephone: Telephone service will be provided by Spectrum, Verizon and/or other regulated companies. Each Unit Owner will be required to pay the telephone charges associated with their Unit.

Cable Television: Cable Television service will be provided by a local cable television company.

Snow Removal/Road Maintenance/Sidewalks

Snow removal and road maintenance for all public streets and sidewalks abutting the Condominium is provided by The City of New York. The sidewalks bordering the Condominium are owned by the City of New York, but will be the responsibility of the Condominium as a Common Expense to maintain, repair, remove snow and replace, if necessary.

Medical, Educational and Religious Facilities

Medical:

- Wyckoff Heights Medical Center is located at 374 Stockholm Street, Brooklyn, NY 11237 approximately 0.4 miles from the Condominium.

- ModernMD Urgent Care is located at 366 Knickerbocker Avenue, Brooklyn, NY 11237 approximately 0.1 miles from the Condominium.

Schools:

Public schools located in the general vicinity are:

- Elementary School

    - P.S 123 The Suydam Magnet School for STEM, located at 100 Irving Avenue, Brooklyn, NY 11237 is approximately 0.4 miles from the Condominium.

- Junior High School

    - IS 349 School of Math, Science and Technology, located at 35 Starr Street, Brooklyn, NY 11221 is approximately 0.4 miles from the Condominium.

- High School

    - K564 Bushwick Community High School, located at 231 Palmetto Street, Brooklyn, NY 11221 approximately 0.6 miles from the Condominium.

No representation can be made as to the actual school's children in the Condominium will attend, nor whether the children will have school bus service provided.

The above listing is by no means inclusive. No representation is made that the children of Unit Owners will be entitled to attend any particular school.

There are also numerous private schools in the area.

Religious Facilities:

There are houses of worship of many faiths in the vicinity of the Condominium including, but not limited to:

- Living Waters Church, located at 265 Stanhope Street, Brooklyn, NY 11237 approximately 0.4 miles from the Condominium.

- Bhuwaneshwar Temple, located at 307 Stanhope Street, Brooklyn NY 11237 approximately 0.2 miles from the Condominium.

Parks and Recreation:

Parks in the area include Maria Hernandez Park, located approximately 0.2 miles from the Condominium, and Grover Cleveland Playground, located approximately 1 mile from the Condominium.

Zoning/Surrounding Area:

The Condominium is zoned C4-3 Residential Use which allows for construction of the Condominium. The surrounding areas are basically developed as follows:

North:	Residential
South:	Residential and Mixed-Use
East:	Commercial
West:	Residential and Mixed-Use

No representation is made as to the eventual use or zoning of any parcel surrounding the Condominium except as noted above.

Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas. Any changes in this information that occurs while sales are continuing shall be disclosed in an amendment within thirty (30) days after the information becomes known to the Sponsor.

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

Stanhope Foundry

For the Period of January 1, 2026 to December 31, 2026

Unit	(1) Price	(2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH)	Approximate Floor Area in Square Feet			(3) Percentage of Residential/ Non-Residential Common Interest	(3) Percentage of General Common Interest	(4) Estimated Monthly Common Charges	(5) Estimate of Monthly Real Estate Taxes	(5) Estimate of Annual Real Estate Taxes	Total Monthly Combined Common Charges & Real Estate Taxes
			Unit	Limited Common Elements Balcony "B" Terrace "T" (Uninhabitable Space)	Total						
C1	$2,470,000	Commercial/2 half BTH	5,452	0	5,452	100.0000%	25.0000%	$1,879.69	$1,125.97	$13,511.68	$3,005.66
Non-Residential Total	**$2,470,000**		**5,452**	**0**	**5,452**	**100.0000%**	**25.0000%**	**$1,879.69**	**$1,125.97**	**$13,511.68**	**$6,383.61**
2A	$875,000	2BR/2BTH	806	0	806	11.6424%	8.3819%	$630.21	$377.51	$4,530.11	$1,007.72
2B	$760,000	1BR/1BTH	709	283 T	992	10.2412%	7.9385%	$596.88	$357.56	$4,290.74	$954.44
3A	$895,000	2BR/2BTH	806	0	806	11.6424%	8.3819%	$630.21	$377.51	$4,530.11	$1,007.72
3B	$590,000	1BR/1BTH	473	0	473	6.8323%	5.7001%	$428.58	$256.72	$3,080.69	$685.30
3C	$685,000	1BR/1BTH	629	47 B	676	9.0857%	6.9564%	$523.03	$313.31	$3,759.68	$836.34
4A	$915,000	2BR/2BTH	806	0	806	11.6424%	8.3819%	$630.21	$377.51	$4,530.11	$1,007.72
4B	$620,000	1BR/1BTH	473	0	473	6.8323%	5.7001%	$428.58	$256.72	$3,080.69	$685.30
4C	$695,000	1BR/1BTH	629	47 B	676	9.0857%	6.9564%	$523.03	$313.31	$3,759.68	$836.34
5A	$830,000	1BR/1BTH	663	280 T	943	9.5768%	7.2303%	$543.63	$325.64	$3,907.71	$869.27
5B	$995,000	2BR/1BTH	929	47 B	976	13.4188%	9.3725%	$704.69	$422.13	$5,065.50	$1,126.82
Residential Total	**$7,860,000**		**6,923**	**704**	**7,627**	**100.0000%**	**75.0000%**	**$5,639.05**	**$3,377.92**	**$40,535.02**	**$9,016.97**
Total	**$10,330,000**		**12,375**	**704**	**13,079**		**100.0000%**	**$7,518.74**	**$4,503.89**	**$54,046.70**	**$15,400.58**

* Two (2) Months Common Charges will be collected from each Purchaser at Closing as Working Capital Contribution.

**The projected real estate taxes for the first year of operation contained herein are based on the post-completion assessment of the building.

*** Balcony/Terrace space is uninhabitable space and may not legally be used as bedroom/Livingroom; to do so may result in building code violations being issued for the building.

**** ICAP would not be available until the 2nd year and therefore is not in the Schedule above. If granted the annual tax for C1, with ICAP, would be $7,661 (in Year 2).

FOOTNOTES TO SCHEDULE A

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

2. Prospective Purchasers should refer to the floor plans in Schedule G-2 of Part II of the Plan for details of different types of rooms in each model. Each Unit shall be measured from (I) the exterior face of any exterior walls directly enclosing the Unit (perimeter and mechanical pipes are not deducted) (II) the center line of any wall or partition separating the unit from another Unit; and (III) the outside face of any demising wall or partition separating the Unit from any common areas, mechanical areas, elevator shafts, egress stairs or trash rooms where those elements do not exclusively serve the Unit. Where furring wall or chase space serving the Unit is adjacent to the structural shear wall bounding the egress stair, the area is taken to the inside face of structural shear wall. The approximate floor area of each terrace or balcony has been measured horizontally from the exterior face of any exterior parapet or wall directly enclosing the terrace or balcony to the exterior face of the enclosed space. Any Common Elements located within a Condominium Unit are not considered part of such Condominium Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Unit is substantially less than the area listed in Schedule A.

3. The percentage of Common Interest has been calculated in accordance with Section 339-i (1) (iv) of the Real Property Law based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit. The schedule also includes the interest each Residential Unit has in the Residential Area of the Condominium (“Percentage of Residential Common Interest”) and the interest each Commercial Unit has is the Commercial Area and in each respective area of the Building. The Percentage of Residential Common Interest determines the amount a Residential Unit Owner will pay for Common Charges, based on the Residential Budget.

4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements, maintenance and operation of the Common Elements. Common Charges exclude repair and decoration to the inside of a Unit, utilities for each Unit and insurance for personal belongings. See

Schedule B-1 for estimated heating and electrical costs for each model type Residential Unit.

5. Pursuant to an opinion letter from SJP Tax Consultants Inc. ("SJP"), 149-41 14 Avenue, Whitestone, NY 11357, it is estimated for the post construction tax year the DOF will set the Total Assessed Value at approximately $870,625 for post-construction. Assuming the tax rates of 12.500% for tax class 2 for the Residential Units and 10.762% for tax class 4 for the Commercial Units.

   It is important to note that the ICAP benefits are implemented only following the initial tax year (July 1 of any year) after completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy.

   Although the aforesaid estimate of actual assessed valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In no event will the consultant, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that predicted above or if the administrative code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented, prove to be untrue. In the event actual real estate taxes differ than from the estimates provided herein, Purchasers will not be offered rescission.

   After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. In addition, pursuant to the provisions of the Internal Revenue Code of 1986 and the Tax Cuts and Jobs Act of 2017, the real estate taxes payable by a Residential Unit Owner, which are assessed against their Residential Unit by any governmental taxing authority, up to a maximum of $10,000 (inclusive of local and state tax deductions), are a proper deduction in connection with Federal and State Income Taxes payable by such Residential Unit Owner.

   Projected tax deductions (where applicable) may vary in future years due to changes in the interest rate on the Residential Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes, or from changes in the assessed value, the tax rate or the method of assessing real property.

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, the Purchaser's monthly

carrying charges will increase by the amount of the mortgage payment. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any Closing Costs that the Purchaser will be obligated to pay the lending institution. The total monthly carry charges combined with real estate taxes re included in Schedule A.

Purchasers are encouraged to review the projected real estate taxes with counsel and/or a real estate tax professional.

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

VI. SCHEDULE A-1

Stanhope Foundry
196 Stanhope Street, Brooklyn
New York 11237
Schedule of Estimated Purchase Prices and Expenses for
Storage Locker Licenses

Storage ("S") Locker Number	**Offering Price**	**Estimated Monthly Expenses**
S1	$30,000	- 0 -
S2	$30,000	- 0 -
S3	$30,000	- 0 -
S4	$30,000	- 0 -
S5	$30,000	- 0 -
S6	$30,000	- 0 -
S7	$30,000	- 0 -
S8	$30,000	- 0 -
S9	$30,000	- 0 -
S10	$30,000	- 0 -

All Purchasers of Storage Locker Licenses will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the Storage Room License.

VII. SCHEDULE B

Stanhope Foundry
Projected Budget for Projected First Year of Condominium Operation*
January 1, 2026 – December 31, 2026

PROJECTED RECEIPTS (Note 1)	
Annual Common Charges – Residential Units	$ 60,376.53
Annual Common Charges – Non- Residential Unit	$ 29,848.88
Total Projected Revenue	**$ 90,225.41**

PROJECTED COMMON EXPENSES

Labor (Note 2)	$ 18,939.10
Gas (Note 3)	$ -0-
Electricity (Note 4)	$ 6,646
Water Charges and Sewer Rent (Note 5)*	$ 4,318
Repairs and Supplies (Note 6)	$ 1,500
Service Contracts (Note 7)	$ 22,520
Insurance (Note 8)	$ 13,500
Management Fee (Note 9)	$ 9,600
Legal & Audit Fees (Note 10)	$ 2,000
Inspections, Permits, Fee (Note 11)	$ 500
Misc. Expenses (Note 12)	$ 1,000
Contingency (Note 13)	$ 1,500
Reserve (Note 14)	$ 8,202.31
TOTAL PROJECTED COMMON EXPENSES	**$ 90,225.41**

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

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* In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If the total of the amended budget exceeds the total of the above budget by twenty-five (25%) percent or more, the Sponsor will offer all purchasers the right to rescind their purchase agreement and have their deposits returned, with interest, if any, provided such election to rescind is received by Sponsor within fifteen (15) days of the date of presentation of the amendment disclosing the revised budget. Sponsor may not declare the Plan effective where there are material changes to the budget if these changes have not been disclosed in a duly filed amendment to the Plan.

FOOTNOTES TO SCHEDULE B

(1) Projected Receipts

These amounts are the total annual Common Charges anticipated to be collected from Residential Unit Owners and the Commercial unit during the projected First Year of Condominium Operation. Common Charges will be used by the Board of Managers to pay Common Expenses of the Condominium. Except as otherwise set forth in the Notes below, Common Charges to pay Common Expenses will be allocated among Residential Unit Owners and the Commercial Unit Owner based on the anticipated usage and benefits to be derived by such Unit Owners. The Commercial unit Owner will be obligated to pay a share of General Common Expenses only for services or facilities used by or serving the Commercial unit. The Commercial Unit will pay the expenses fairly attributable to it. General Common Expenses allocated to Residential Units will be allocated among Residential Units based on Residential Common Interest set forth in Schedule A. Where the allocation of Common Expenses between Residential Units and the Commercial Unit is not based on Common Interest, or Common Expenses have been allocated only to one category of Units, such circumstances are described in the following notes.

Purchasers are advised that all budget projections, including projections for service contracts, are estimates and approximations. All projections were made by Sponsor in consultation with FiDY Management, Inc. (“Sponsor's Budget Expert”). Although the projections are believed to be reasonable, they are not assured or guaranteed.

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These amounts represent the total Common Charges to be levied against and collected from the Residential and Non-Residential Units during the projected First Year Condominium Operation. Pursuant to Section 339-m of the New York State Real Property Law, the Condominium has established a special allocation of Common Charges for the Condominium budget. Common Charges have been allocated on a mix of Special Allocation by Use, Common Interest, and Non-Residential Common Interest. The special allocation of Common Charges may not be changed without the express consent of the Non-Residential Unit Owner(s). The Commercial Unit is paying the expenses fairly attributable to them.

According to the special allocation of Common Charges, the Units have been allocated the amounts of individual budget items reflected in the table below:

(See also detailed notes which follow)

EXPENSES	**TOTAL**	**RESIDENTIAL**	**COMMERCIAL**
LABOR (2)	$18,939.10	$ 17,045.19	$ 1,893.91
GAS (3)	$ -	$ -	$ -
ELECTRICITY (4)	$ 6.646.00	$ 3,808.16	$ 2,837.84
WATER CHARGES AND SEWER RENTS (5)*	$ 4,318.00	$ 4,318.00	$ -
REPAIRS AND SUPPLIES (6)	$ 1,500.00	$ 1,500.00	$ -
SERVICE CONTRACTS (7)	$ 22,520.00	$ 12,903.96	$ 9,616.04
INSURANCE (8)	$ 13,500.00	$ 7,735.50	$ 5,764.50
MANAGEMENT FEES (9)	$ 9,600.00	$ 5,500.80	$ 4,099.20
LEGAL FEES AND AUDIT FEES (10)	$ 2,000.00	$ 1,146.00	$ 854.00
INSPECTIONS, PERMITS, FEES (11)	$ 500.00	$ 286.50	$ 213.50
MISC. EXPENSES (12)	$ 1,000.00	$ 573.00	$ 427.00
CONTINGENCY (13)	$ 1,500.00	$ 859.50	$ 640.50
RESERVE - 10% (14)	$ 8,202.31	$ 4,699.92	$ 3,502.39
TOTAL EXPENSES	$ 90,225.41	$ 60,376.53	$29,848.88

(2) Labor

This cost reflects salary/benefits of one (1) part-time nonresident superintendent working thirty (15) hours a week at $20 per hour, and includes estimates of the wages, payroll taxes, insurance, and any other benefits payable with respect to such staff. Due to the size of the building, the superintendent will reside within two hundred (200) feet of the building, in accordance with Section 27-2052 of the Administrative Code of the City of New York. The projected level of staffing for the Condominium complies with all other applicable housing and labor laws. The building staff will be non-union and wages meet state minimum wage laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's Budget Expert, in managing comparable buildings. The weekly salary for the superintendent was estimated as a result of consulting a local super with a description of the duties involved. These expenses are allocated among all Unit Owners based on Common Interest percentage with the exception of the Commercial Unit. The Commercial Unit Owner will pay for its proportionate share of the salary and benefits for the superintendent only.

This budget item is based on a 54-week year to account for vacation, yielding total gross wages of approximately $18,939.10 ($16,200 + the cost of benefits $2,739 as set forth below.)

Item	Yearly contribution
FICA – Social Security at 6.2% of Base Wages	$1,004.40
FICA – Medicare at 1.45% of Base Wages	$234.90
State Unemployment Insurance at 2.5% of first $8,500.00 of Base Wages	$212.50
Federal Unemployment Insurance at 6% of first $7,000.00 of Base Wages	$420
NYS Disability at $62 per employee	$62
Worker's Compensation at 4.46% of Base Wages	$722.52
Family Leave Benefits Contribution at 0.153% of base wages	$82.78
Total	**$2,739.10**

Necessary repairs beyond the scope of ordinary work of the Superintendent will be performed by companies hired for the purpose of performing the necessary work by the Board of Directors of the Managing Agent.

(3) Gas

The building does not have any systems utilizing gas.

(4) Electricity

This budget item includes the projected cost of electricity for the common elements including, without limitation, operation of lighting, fans, general outlets, mechanical equipment, elevator & heating, as well as hot water heaters for the residential units. It was estimated by ARK Engineering Consultant, PC of 61-42 186th street, suite 501, Fresh Meadows, NY 11365. The building residential common elements are heated using electrical heaters. The Building will be provided with a house meter for building common areas and base building mechanical systems. The cost of the electric usage for the common areas will be borne by all Residential Unit Owners & Commercial Unit Owner(s) as a common expense and apportioned to each unit in accordance with its common interest as provided in the First Year's Budget. This amount is based on projections for electrical consumption of 34,724.00 kWh at Con Edison's current residential electrical rate of $0.19 per kilowatt hour ("kWh") plus a 10% inflation factor and a tax and surcharge of 16%. The foregoing is not a representation or warranty as to the actual cost of electricity. The actual cost will be based on actual consumption and the rate in effect at the time consumed, and likely will vary from the projection set forth herein.

Each Residential Unit will be individually metered for electrical usage, and each Unit Owner shall be responsible for paying for the costs of electric consumption in such Unit. See schedule B-1 for a projection of the estimated consumption of electricity.

It is presently anticipated (but in no way guaranteed) that an application will be made to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate," which may result in a savings to Unit Owners. In the event that such application is made and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its sub-meter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

(5) Water Charges and Sewer Rent

Water and Sewer service are provided by NYC Department of Environmental Preservation (DEP) a public utility. Water and sewer charges are commonly metered for the Residential Units. This estimate is provided by ARK Engineering Consultant, PC of 61-42 186th street, suite 501, Fresh Meadows, NY 11365. It is based on a combined pricing of $16.09 for water and sewage per 100 cubic feet. The projected amount for the condominium is 268 HCF per year.

*Commercial Unit Owners shall be billed separately by the Condominium Association for Water Charges and Sewer Rents based on actual amount used. The Commercial Unit Owner(s) shall be required to install and maintain a water sub-meter and shall be responsible for the payment of all Water Charges and Sewer Rents actually used as per sub-meter reading. The Condominium Association shall bill and collect payment

from the Commercial Unit Owner(s) all Water Charges and Sewer Rents as levied by DEP, as well as fees associated with quarterly meter readings.

(6) Repairs and Supplies

The building is being newly constructed and no historical costs for repairs and maintenance are available. No amounts have been allocated for the repair of Building Systems (Mechanical, electrical, water, air conditioning and other systems), envelope or for other capital expenditures. The budgeted figure is the projected cost of minor interior repairs of common elements and minor exterior repairs of the common elements including patching and painting common area walls and ceilings, snaking clogged plumbing, and repairing broken windows, doors and locks.

(7) Service Contracts

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

It is anticipated that maintenance and service contracts will include:

Elevator Maintenance	$3600
Sprinkler, Dry pipe, Backflow	$1600
Exterminating	$1200
Fire Alarm monitoring	$9,680

Each Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of his/her respective Unit, including without limitation to their appliances.

(8) Insurance

The projection for the cost of insurance premiums is based on a letter, dated January 19, 2025, from Advanced Specialty Group, Inc., located at 1400 Avenue Z, Suite 402, Brooklyn, New York 11235 (hereinafter called the “Insurance Agent”). Although the projection is considered to be reasonable, there can be no guarantee that the estimate premium will not escalate or that such coverage will continue to be available. Property insurance carries a $5,000 deductible. The recommended fire, casualty and general liability coverages are as follows:

COVERAGES - LIMITS OF LIABILITY

PROPERTY	
Building & Boiler and Machinery	$7,000,000
Cause of Loss Special Form	Included
Value/Replacement Cost	Agreement Amount
Deductible	$5,000
Income/Extra Expense	Actual Loss Sustained up to 12 Months
Flood & Deductible $1,000,000 / $25,000	
Earthquake & Deductible $1,000,000 / $100,000	
GENERAL LIABILITY	
Each Occurrence (Bodily Injury/Property Damage)	$1,000,000
General Aggregate	$2,000,000
Personal Injury	$1,000,000
Water Damage Legal Liability	$1,000,000
DIRECTORS & OFFICERS LIABILITY	
Limit & Deductible	$1,000,000 / $5,000
Managing Rider Agents	Included
UMBRELLA	
Limit	$2,000,000
WORKERS COMPENSATION DISABILITY	Statutory
DISABILITY	Statutory

In accordance with Title 13 N.Y.C.R.R. § 20.3(h)(4)(viii)(b)(c)(d) and (e);

The insurance coverage meets the requirements of any mortgage lender procured by the sponsor.

The fire, casualty and general liability insurance are on terms that provide: (1) that each unit owner is an additional insured party; (2) that there will be no cancellation without notice to the board of managers; (3) a waiver of subrogation.

The following items are included: officers' and directors' liability; rent insurance; water damage; elevator collision; boiler and machinery; excess liability; auto liability; and fidelity bond.

Unit owners may wish to consider obtaining additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on limited common elements.

The proposed property insurance is for coverage on an all-risk replacement cost basis. The fire, casualty and general liability insurance carried by the Condominium is anticipated to provide (i) that each Unit Owner is an additional insured party; (ii) that there will be no cancellation without notice to the Condominium Board; and (iii) will include a waiver of subrogation, a waiver of invalidity because of acts of the insured and Unit Owners, and a waiver of pro rata reduction if Unit Owners obtain additional coverage.

The Condominium's coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of ceilings or finished flooring in Units or other improvements in Units for which Unit Owners are responsible. Accordingly, Unit Owners are required to carry insurance on their Units as set forth in the By-Laws.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. Sponsor is advised that the projected property insurance is adequate for replacement of those portions of the Building for which the Board of Managers is responsible in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the First Unit Closing.

Sponsor will procure, on behalf of the Board, on or before the date of the First Unit Closing, the general liability insurance that is required to be carried by the Condominium.

(9) Management Fee

Based on the management agreement to be entered into with FiDy Management, Inc., a real estate management firm having an office at 227 Sea Breeze Avenue, Unit C-404, New York 11224 (“Managing Agent”) at or before the First Unit Closing, it is expected that the Managing Agent will receive an annual fee of $9,600.00 for the first year. Management services are to include transition fees, annual maintenance fees relating to the General Common Elements, common charge collection and processing, bill paying, basic bookkeeping, compliance, reporting and other administrative functions and the oversight of janitorial services in the Building 24 hours a day/7 day a week (or the engagement of a company to provide same) in accordance with the Administrative Code of the City of New York § 27-2052, et seq.

(10) Legal and Audit Fees

ECO-Tax Inc. of 3121 Ocean Avenue, Suite 305, Brooklyn, New York, has estimated $1,500 for auditing and accounting fees in connection with the preparation of the yearly compiled financial statements of the Condominium for the First Year of Condominium Operation and Federal, state and city income tax returns. The balance of the budgeted amount has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings and negotiation of minor agreements, which amount has been calculated based

on Budget Expert's experience in the industry budgeting for similar buildings. This amount has been allocated between the Residential Units and the Non- Residential Unit on the basis of Common Interest.

(11) Inspections, Permits, Fee

Other Expenses covers City Inspections, Permits and Fees. These include but at not limited to, Local Law 84, Category 1 elevator test, PVT testing, semiannual fire extinguisher inspections, etc.

(12) Misc. Expenses

Misc. expenses include administrative expenses such as virtual doorman fees, telephone lines, internet service, office supplies and decor, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

(13) Contingency

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

(14) Yearly Reserve Fund

The Condominium will have a reserve fund for capital expenditures only. It will be equal to 10% of the projected annual budget, including the reserve amount. The yearly reserve fund will be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of operation following the first closing under the Plan. Please see "Reserve Fund" Section of the Plan.

****

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 impose special assessments on the Unit Owners.

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ADDITIONAL NOTES:

The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, liability and flood insurance) have increased

significantly. Although the projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No assurance is given that insurance premiums will not increase. 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.

IN THE OPINION OF THE BUDGET EXPERT, THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JANUARY 1, 2026. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD OF MANAGERS WILL BE AS SET FORTH IN SAID BUDGET.

IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SPONSOR HAS RESERVED THE RIGHT TO ENTER INTO SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS THAT WILL BE BINDING ON THE BOARD OF MANAGERS UPON COMMENCEMENT OF CONDOMINIUM OPERATION. HOWEVER, SPONSOR MAY NOT ENTER INTO ANY BINDING SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS THAT WILL MATERIALLY INCREASE THE FIRST YEAR'S PROJECTED COMMON CHARGES OR THAT WILL BE BINDING ON THE BOARD FOR A PERIOD OF MORE THAN TWO (2) YEARS FROM THE COMMENCEMENT OF CONDOMINIUM OPERATION, UNLESS DISCLOSED IN AN AMENDMENT.

VIII. SCHEDULE B-1

ESTIMATED UTILITY COSTS FOR RESIDENTIAL UNITS

UNIT	TOTAL CONSUMPTION KWH/YR	AVERAGE RATE /KWH	ANNUAL TOTAL PROJECTED COST
Residential Unit 2A	23,237	*$0.19	**$4,466**
Residential Unit 2B	21,840	*$0.19	**$4,180**
Residential Unit 3A	23,237	*$0.19	**$4,466**
Residential Unit 3B	17,448	*$0.19	**$3,340**
Residential Unit 3C	19,941	*$0.19	**$3,817**
Residential Unit 4A	23,237	*$0.19	**$4,466**
Residential Unit 4B	19,941	*$0.19	**$3,340**
Residential Unit 4C	16,103	*$0.19	**$3,817**
Residential Unit 5A	20,153	*$0.19	**$3,876**
Residential Unit 5B	25,029	*$0.19	**$4,791**

The figures set forth on Schedule B-1 for the estimated costs of electricity usage are based upon a quotation provided by Sponsor's consultant, ARK Engineering Consultant, PC of 61-42 186th street, suite 501, Fresh Meadows, NY 11365.

Each Residential Unit shall be separately metered for electricity for the provision of air conditioning, heating, lighting, and appliances, and each Unit Owner shall be responsible directly to the electricity supplier for the cost of electricity consumer (and delivery thereof) within or for his or her own unit. The rate used for the calculation is $0.19 per kwh for electricity. Taxes are. Based on current New York City and New York State sales taxes applicable to the sale of electricity. A 10% inflation factor has been included with regard to all electricity costs.

There are no separate individual unit charges for water consumption by the Residential Units.

1. Each Unit Owner will be responsible for the cost of electricity supplied to his Unit. Charges for each unit will be payable directly to the utility company by each Unit Owner.

2. The building uses electricity for cooking, hot water, cooling, heating, clothes dryer and all other power needs. Estimate costs for electricity vary based on the location and area of the units as well as usage. These rates have been determined by the current and prevailing rates of electricity as determined by Con Edison. The rates for electricity above are based on a cost of $.23 per kilowatt for electric usage and a 10% increase adjusted for inflation.

3. In view of the fact that these averages may include the use of energy by persons of varying needs, occupying dissimilar types of dwelling units, constructed of different materials at different times, with different standards of comfort or with families of different sizes, the amount of energy used by the purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, and other factors may raise the cost of electricity substantially higher than the current or projected rate. Certain factors beyond Sponsor's control may substantially affect the cost of heating and cooling after the purchase of a unit or in subsequent years.

4. Although the Sponsor is under obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of heating and cooling after the purchase of a unit or in subsequent years. Sponsor represents, however, that it has followed the plans and specifications provided by the manufacturer of the heating, hot water and air conditioning units together with the recommendation of the utility company and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost Sponsor represents that it has not been induced to select the heating system described herein on the basis of any financial inducement other than the comparative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

IX. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

ANTHONY J. FICARA
PARTNER
AFICARA@MORITTHOCK.COM

December 30, 2025

State of New York
Department of Law
28 Liberty Street
New York, New York 10005

Re: **Stanhope Foundry**

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the Offering Plan. Our experience includes the preparation of numerous of Condominium Offering Plans and legal representation of several Condominium Boards of Managers in the State of New York.

In reviewing said Schedule A, the percentage of Common Interest for each Unit in the overall Condominium as contained therein has been determined based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the Offering Plan for Stanhope Foundry to be filed with the Department of Law.

Very truly yours,
MORITT HOCK & HAMROFF LLP

By: Anthony J. Ficara
Anthony J. Ficara, Partner

X. NON-RESIDENTIAL UNIT

The Condominium will initially contain one (1) Commercial Unit (the "Commercial Unit" or "Non-Residential Unit"). The Commercial Unit may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for professional and retail uses. The stated uses for the Commercial Unit may not be changed unless there is a change in the zoning use as listed on the Certificate of Occupancy.

The Sponsor and/or Owner(s) of the Commercial Unit will have the right, without the consent of the Board, other Unit Owners or the holders of mortgages on Units, whether before or after the recording of the Declaration of Condominium, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary into and upon their Units; or (b) alter or improve any Limited Common Elements applicable to their Unit; provided, however, that in each instance the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board and all other Unit Owners harmless from any liability arising therefrom. The aforementioned right is not provided to Residential Unit Owners; however, this will not have a material adverse impact upon the Condominium.

Except to the extent prohibited by law, the Sponsor, its successor, assignee or designee and the Commercial Unit Owner(s) shall have the right, without the vote or consent of the Board to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit(s); (b) change the layout of, or number of rooms in the Commercial Unit(s) from time to time; (c) change the size and/or number by subdividing the Commercial Unit into two or more separate Commercial Unit, combining separate Commercial Unit(s) (including those resulting from such subdivision or otherwise) into one or more Commercial Unit, altering the boundary walls, if any, between any Commercial Unit, or otherwise; (d) if appropriate, reapportion among the Commercial Unit(s) affected by such change in size or number pursuant to the preceding clause their percentages of interest in the Common Elements; provided, however, that the percentage of interest in the Common Elements of any other Commercial Unit shall not be changed by reason thereof unless the owners of such Commercial Unit shall consent thereto and, provided further, that the Declarant, its successor, assignee or designee and the Commercial Unit Owner(s) shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board and all other Commercial Unit Owner(s) harmless from any liability arising therefrom.

Nothing contained in the Declaration shall prohibit the division or consolidation of any Commercial Unit(s) and Common Interest appurtenant thereto, including but not limited to a change in the number of rooms. In no case, however, may such division or consolidation result in a different percentage of Common Interest for the total of the new Commercial Unit(s) than existed for the total of the original Commercial Unit(s) before division or consolidation.

The Owner(s) of the Commercial Unit will have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the General Common Elements of the Condominium, and in, through, under and over the other existing Commercial Unit(s), if any; (ii) through the Common Elements and Residential Units Limited Common Elements of the Condominium for access to any part of the Condominium for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Condominium servicing the applicable Commercial Unit, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board; and (iii) for access to any equipment that services the Commercial Unit and which are located in the Residential Area of the Condominium or the Residential Units Limited Common Elements.

The Commercial Unit(s) will also be subject to easements in favor of any other Unit(s) for the installation, maintenance, repair and replacement of all utility pipes, lines, conduits, ducts, etc., including gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving the Non-Residential Unit(s). The Owner(s) and tenants of the Non-Residential Unit(s) will have the right, at their sole expense, to install separate heating systems for the Non-Residential Unit(s) and an easement is granted in, over, under and through the any part of the Condominium for the installation, maintenance, repair and replacement of the heating systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised.

The Commercial Unit and/or their tenants will have an easement to erect, maintain and replace one (1) or more signs on the property as permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be in compliance with the requirements of the City of New York.

At the request of the Commercial Unit Owner(s), the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The Commercial Unit Owner(s) shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Commercial Unit Owner(s) shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Commercial Unit without the Board having any right of first refusal to sell or lease, or to procure a third party to sell or lease, the same, and all sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

The Owner(s) of the Commercial Unit shall be responsible for payment of the Common Charges to the Condominium allocated to the Commercial Unit and all real estate taxes allocated against, and interest and amortization on all mortgages affecting

the Commercial Unit and the entire cost of maintaining, repairing and replacing the Limited Common Elements applicable to the Commercial Unit. No bond or other security will be posted for this obligation and the Commercial Unit Owner's ability to perform will depend upon its financial condition at the time it may be called upon. If the Commercial Unit Owner fails to pay the Common Charges and Common Expenses, allocated against the Commercial Unit, the Board will have the same rights and remedies against it as against any other defaulting Unit Owner. In addition, the Owner(s) of the Commercial Unit shall be responsible for their share of the Common Expenses of the Condominium. Pursuant to the opinion of Sponsor's expert contained in the Certification of Adequacy of the Common Charges of the Commercial Unit contained in Part II of the Plan, the Common Charges payable by the Commercial Unit Owner(s) are sufficient to cover the expenses fairly attributable to such Commercial Unit. The special allocation of Common Charges attributable to the Non-Residential Units shall also reflect special or exclusive use or availability or exclusive control of particular Common Elements.

The Board will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Unit, which are permitted by law. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Board without the consent of the respective Commercial Unit Owner(s). All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner. The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any of the Commercial Unit. Notwithstanding the foregoing, the Commercial Unit shall not be used for any illegal uses or for the following uses: pornography stores, drug treatment facilities or homeless shelters.

No representation is made with respect to the continued ownership by the Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be, at any time, or as to the uses to which any portion of the Commercial Unit may be put at any time and no assurance is given that such tenants, occupants or uses will not be objectionable to other Unit Owners or other parties.

The Owner(s) of the Commercial Unit will be obligated to pay a share of the cost of insurance and maintenance and operation of the Common Expenses shared with the Residential Units and other costs reflected in Schedule B proportionate share of the Common Expenses of the Condominium. The Commercial Unit Owner(s) will also be responsible for the entire cost of the maintenance and operation of the Commercial Unit Limited Common Elements. However, the Board may also make allocations and assessments of Common Charges to the 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 based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. In the event of any dispute relating to the expenses to be borne by the Commercial Unit Owner(s) such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws. In addition, pursuant to Section 339-bb of the Real Property Law a larger portion of the insurance costs may be applied to the Commercial Unit.

The Residential Unit Owners shall have an easement through the Commercial Unit and Commercial Unit Limited Common Elements for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the General Residential Units' Limited Common Elements, Individual Residential Unit Limited Common Elements, the Residential Units and/or the entire Building.

In the event of any dispute relating to the expenses to be borne by the Commercial Unit Owner(s) such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws.

XI. CHANGES IN PRICE AND UNITS

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

The Sponsor further reserves the right, but not the obligation, to negotiate with a Purchaser on an individual basis in connection with all aspects of the purchase price, including but not limited to: upgrades to the Unit or the fixtures or equipment contained therein or credits or allowances therefore; treatment of reduced and/or split down payment; financing contingency; extension of period to secure financing; payment of all or part of a Purchaser's acquisition or financing costs such as, but not limited to: origination fees and commitment fees; any and all other costs relating to the cost of acquiring title to the Unit. As a result, a Purchaser may receive different terms then a prior or subsequent Purchaser for a similar Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms or at its sole option to expand the applicability of such negotiable terms to some or all Purchasers pursuant to Section 352-e of the General Business Law.

No change will be made in the size or number of Residential Units and/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 Offering Plan and, when applicable, to the Declaration of Condominium.

Unless an affected Purchaser consents, no material change will be made in Residential Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Residential Unit and the Purchaser is not in default.

Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

Purchasers should note that there is a rebuttable presumption that a variation of 5% or less in the estimated square footage of the Units shall not be considered a material adverse change that would trigger a right of rescission. Notwithstanding the foregoing, a decrease of less than five (5%) percent could be material and may require consent of any affected purchaser under contract.

XII. INTERIM LEASES

The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have his or her contractors or agents enter the Residential Unit to perform work prior to closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of extras ordered, as liquidated damages. Purchasers should refer to Paragraph 22 of the Purchase Agreement.

The Sponsor may, at any time, enter into leases for the Commercial Unit in the Condominium.

XIII. PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale the Units under construction in the Condominium for mixed use occupancy in accordance with applicable municipal zoning regulations. Occupancy of the Units, or portion of a Unit, by a lessee or lessees of the Unit Owner, for the purposes set forth in this paragraph conform with the zoning regulations permitting construction of this Condominium.

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium, however, Sponsor is retaining the unconditional right to rent rather than sell the Units (with respect to the Residential Units after consummation of the Offering Plan). Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, this plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective (2 Residential Units) and owner-occupants may never gain effective control and management of the Condominium.

The sales prices at which the Residential Units are being offered are shown in detail in Schedule A. The Sponsor reserves the right to lower the sales prices and to negotiate other terms on an individual basis. All changes in prices which (i) are an across-the-board increase or decrease affecting one or more lines of Units are to be advertised or (ii) is a price increase for an individual Unit, will be done by a duly filed amendment to the Offering Plan. See Section X of the Offering Plan. Any such change will not affect the Common Interest of the Unit; however, some Purchasers may pay less or more for the same Unit type or receive different terms.

Any person may accept Sponsor's offer to sell the Unit by entering into a Purchase Agreement with the Sponsor. The Agreement provides that the Purchaser will purchase from the Sponsor a designated Unit in the Condominium as described in the Declaration creating such Condominium. A Purchaser will be afforded a minimum of three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. If a Purchaser has not received the Plan and all amendments thereto at least three (3) business days prior to Purchaser's signing a Purchase agreement, Purchaser shall have the right to rescind the Purchase Agreement within seven (7) days from the date the Purchase Agreement is executed. Any conflict between the Offering Plan and the Purchase Agreement shall be resolved in favor of the Offering Plan.

Upon signing the Purchase Agreement, the Purchaser shall make a down payment of ten (10%) percent of the purchase price of a Unit plus the cost of any special work ordered by the Purchaser. Upon full payment of the balance of the purchase price and the balance of the cost of any special work ordered, in cash or by mortgage at the Closing, Purchaser will receive a bargain and sale deed with covenant against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title to the ownership of fee ownership in the Unit and such

percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in Section XV of the Offering Plan. Sponsor must either return a fully executed Purchase Agreement within twenty (20) days to the Purchaser or reject the Purchase Agreement and refund the deposit monies. In the event the Sponsor does not act within said twenty (20) day period the Purchase Agreement will be deemed accepted by the Sponsor so long as the Purchase Agreement has not been modified by the Purchaser or Purchaser's attorney.

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

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

The Purchase Agreement may not be assigned, marketed or advertised for sale by Purchaser without the written consent of Sponsor, which consent may be withheld in Sponsor's sole discretion.

The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed to the Purchaser is assumed by the Sponsor. Any Purchaser who takes possession of a Unit prior to closing assumes the risk of losses not covered by insurance.

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

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Residential Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. **The obligations of a purchaser under the Purchase Agreement are not condition on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit 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 a Purchase Agreement. No representation is made by the sponsor as to the availability or cost of such financing.

Purchasers should note, that if a Purchaser fails to appear and close title in accordance with the Purchase Agreement on the date and at the time and place stated in Sponsor's notice for closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default, time being of the essence. Time of the essence indicates that failure to cure the default by a certain date will constitute and incurable default under the Purchase Agreement. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed canceled and Sponsor shall have the right to retain, as and for liquidated damages, all sums paid by Purchaser to Sponsor on account of the purchase price plus all additional sums paid and/or payable by Purchaser for all extras ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable. Sponsor must make a written demand for payment after default at least 30 days before forfeiture of the deposit may be declared.

ESCROW AND TRUST FUND PROVISIONS

The Escrow Agent:

The law firm of Moritt Hock & Hamroff LLP, whose address is 1407 Broadway, 39th Floor, New York, NY 10018, and whose telephone number is 212-239-2000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Anthony J. Ficara, Ted A. Berkowitz, Gary C. Hisiger and Michael Cardello III. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Metropolitan Commercial Bank, at their branch located at 1359 Broadway, New York, NY, Telephone: (212) 643-6981 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

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

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

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Schedule D in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 29 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

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

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

Release of Funds:

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

Waiver Void:

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

Purchasers should note as a special risk that although all funds received by Sponsor for upgrades or extras to a Residential Unit will initially be placed in the Escrow account, such funds may be released from the Escrow Account without the requirements outlined below as long as the Sponsor uses the funds for such upgrade or extra. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for upgrades or extras to the extent expended. Notwithstanding the foregoing, in the event Sponsor abandons the Offering Plan, Sponsor will be obligated to return any funds paid for upgrades or extras.

Should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court), the Purchase Agreement contains a clause requiring that disputes regarding the disposition of deposits, down payments, or advances received by Sponsor be submitted to arbitration. The arbitration forum shall be the American Arbitration Association. Purchasers shall be required to bear the costs of any arbitration, including compensation of the arbitrator(s), if Sponsor is the prevailing party. Additional details, if any, concerning the arbitration clause, may be found in the Procedure To Purchase Section of the Plan and Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in New York County and all motions in any such action shall be made in New York County. If arbitration is used to resolve a dispute herein, the arbitrator will be an independent third party not related to any party in the dispute.

Disputes regarding the disposition of deposits, down payments, or advances received by Sponsor shall be submitted to arbitration. The Purchase Agreement requires arbitration of disputes concerning the disposition of escrowed funds. Purchaser should be advised of the following:

1) the arbitrator will be neutral and independent of the Sponsor and its principal(s);
2) the arbitration forum shall be the American Arbitration Association and the arbitrator selected shall be agreed upon by the parties;

3) the arbitration will take place in the County of New York, State of New York;
4) the parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed;
5) arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules § 7511;
6) the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings;
7) the arbitrators may not have to explain the reason(s) for their award;
8) the rules of some arbitration forums may impose time limits for bringing a claim in arbitration;
9) New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation;
10) the rules of the American Arbitration Association may be found at: www.adr.org/Rules;
11) Purchasers shall be required to bear the costs of any arbitration, including compensation of the arbitrator(s), if Sponsor is the prevailing party. Additional details, if any, concerning the arbitration clause, may be found in the procedure to purchase section of the plan and Purchase Agreement; and
12) that the deposit shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds must remain in escrow until that proceeding is finally adjudicated.

Purchasers should note that on October 10, 2025 the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of an updated Geographic Targeting Order ("GTO"), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in an amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after February 28, 2026.

Further information regarding the revised GTO is available at the following web address:

https://www.fincen.gov/news/news-releases/fincen-renews-residential-real-estate-geographic-targeting-orders-0

In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Sponsor has adopted the following smoking policy (the "Smoking Policy") for the Building:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways, ; and (ii) within twenty-ten (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PROHIBITED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

This Smoking Policy shall become effective immediately. The Board will advise Unit Owners of any changes to the Smoking Policy.

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

XIV. FINANCING FOR QUALIFIED PURCHASERS

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

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

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained as liquidated damages.

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

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

XV. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and no Closing to a Unit will be held until the Plan is declared effective. This Offering Plan will not become effective until bona fide purchasers, have executed Purchase Agreements which have been accepted by Sponsor for at least fifteen (15%) percent in number of the Residential Units offered for sale under the Plan (15% x 10 = 2 Residential Units). Storage Locker Licenses shall not be counted toward effectiveness.

The Plan may be declared effective by personal service of notice on every Purchaser, or by commencement of service by mail in the manner required by 13 NYCRR §20.1(d), stating that the Plan is declared effective and Sponsor will, within five (5) business days of said notice, submit for filing an amendment to the Plan to the Department of Law confirming that the Plan was declared effective on a specified date. The Sponsor will not Close Title to the first Unit until the Amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General.

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

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

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

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

Further, the Sponsor has the option not to Close Title to the Units and to abandon the Plan at any time if less than eighty (80%) percent in number of the Residential Units offered hereby are sold and title to any Unit has not been conveyed. In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within twenty (20) days of the abandonment of the Plan. When Purchase Agreements for eighty (80%) percent of the Units have been entered into the Sponsor must declare the Plan effective (80% x 10 = 8 Residential Units).

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than ½% of the total amount of the offering; (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than ½% of the total offering; or (iii) the taking of any material portion of

the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys' fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within twenty (20) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law.

If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to purchasers must be disclosed. Said funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding purchase agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1(d)(1) of Part 20 of Title 13 NYCRR.

Pursuant to the terms of this Plan, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (two (2)) of the Residential Units being offered for sale. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, Sponsor must re-declare the Plan effective in order to consummate the Offering Plan. In addition, in the event all purchase agreements entered into are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, Sponsor must re-declare the Offering Plan effective. Purchasers should further note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of Residential Units in a building or group of buildings be under contract before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the Sponsor has not sold a substantial percentage of the Residential Units in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor, other than the original Sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

XVI. TERMS OF SALE

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

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

On the Closing Date fee title to the Unit will be conveyed to the Purchaser together with the Units and undivided interest in the Common Elements. The Closing of Title to the first Unit is expected to commence on or about January 1, 2026. Such Closing, however, will only take place after or simultaneously with the happening of the following events:

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

2. The Sponsor's repair of any damage from a casualty or other cause that occurs before the closing of Purchaser's Residential Unit. In the event a Home is damaged by casualty or other cause prior to the closing of Purchaser's Home, through no fault of Purchaser, Sponsor shall repair the Home to meet the specifications set forth in the architects and/or engineers property description report(s) contained herein prior to closing of title to such Home. In the event Sponsor cannot complete such repair within the anticipated delivery timeframe set forth in the Offering Plan or Purchase Agreement, Purchaser shall be afforded a right of rescission.

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

4. Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and

title exceptions other than those described in the Offering Plan and the proposed Unit Deed.

5. If applicable, prior to closing, the Sponsor will procure the real property transfer gains tax tentative assessment and return (or statement of no tax due) and will, at closing, pay all real property transfer gains tax and all other transfer taxes due and comply with the requirements of the New York State Department of Taxation and Finance.

6. If so requested by the Purchaser, Liberty Land Abstract, Inc. ("Liberty"), 42-40 Bell Boulevard, Bayside, NY 11361 Phone: 718-281-0505, as agent for a title insurance company licensed to do business in New York State shall agree to insure that such Purchaser has good and marketable fee title in the Unit, free and clear of all liens, encumbrances and title exception, except those set forth below, the Deed, and subject to the provisions of the Declaration and By Laws and any mortgage executed by the Purchaser and that the Condominium was validly formed pursuant to Article 9 B of the Real Property Law. Purchasers have the right to obtain title insurance from any title company of their choice authorized to do business in the State of New York.

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

8. The Declaration, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law in the New York City Registers Office, New York County. The recording of the referenced documents will occur prior to conveyance of title to a Unit.

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

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

11. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section will be met, that the Residential Units to be closed have been constructed in accordance

with the plans filed with the Building Department of the City of New York and that the Sponsor has complied with the requirements of this Section.

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

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

Title to the 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 permitted below and/or described in the proposed Unit deed. Title to the Units will be subject to the following:

1. The state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

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

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

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

   (a) Easements in favor of the Owners of other Units to use the pipes, wires, conduits, cable television, and public utility lines located in the

Common Elements or in the Unit itself servicing such other Units and/or the Common Elements.

(b) Easements in favor of the Board of Managers, its agents, contractors or employees to have a right of access to any Unit and to the Common Elements to inspect, maintain or repair or to make repairs to any Unit to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit, regardless of the nature of the Common Element.

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

(d) Easements in favor of the Residential Unit Owners for access through any other part of a Building for the purpose of access, installation, maintenance, repair and replacement of any flues, vents, gas, air-conditioning, heating, ventilation, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing an individual Residential Unit.

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

(f) Easement in favor of the Sponsor, it’s agents and employees for access through any part of a Building for the purpose of access, installation, maintenance, repair and replacement to of any portion of the Building, including but not limited to the installation of solar energy panels on the roof.

5. Any additional declarations, covenants, restrictions, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of a Residential Unit as a one (1) family residence.

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

The Sponsor has been advised by its counsel that in counsel's opinion, none of the exceptions to title herein above set forth are contrary to the terms of the Purchase Agreement nor will they interfere with the quiet use or enjoyment of the Purchaser's Unit.

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

Purchasers should note that on October 10, 2025 the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of an updated Geographic Targeting Order ("GTO"), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in an amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after February 28, 2026.

Further information regarding the revised GTO is available at the following web address:

https://www.fincen.gov/news/news-releases/fincen-renews-residential-real-estate-geographic-targeting-orders-0

XVII. CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

1. Fee title insurance is available from Liberty Land Abstract, Inc. ("Liberty"), 42-40 Bell Boulevard, Bayside, NY 11361 Phone: 718-281-0505, a title company authorized to do business in the State of New York, at the estimated rates of $5.81 per thousand for the first $50,000 of fee title insurance, approximately $4.74 for each additional $1,000 of insurance up to $100,000 and approximately $3.80 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

   Each Purchaser will be free to obtain title insurance from a title insurance company of their own choosing without incurring a penalty from Sponsor.

2. Mortgage title insurance at the estimated rates of $4.84 per thousand for the first $50,000 of mortgage title insurance, approximately $3.95 for each additional $1,000 of mortgage title insurance up to $100,000 and approximately $3.17 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

   In the event a Purchaser obtains both mortgage and fee title insurance at closing, the Mortgage Policy shall be issued at a reduced rate known as the Simultaneous Mortgage Rate. The fee title insurance policy will be based on the full fee rate and the Simultaneous Mortgage Policy is based on thirty (30%) percent of the applicable mortgage rate up to the amount of the Mortgage Policy. Any excess is based on the full mortgage rates.

   Each Purchaser will be free to obtain title insurance from a title insurance company other than Cornerstone without incurring a penalty from Sponsor. Sponsor makes no representation or warranty as to cost, terms or availability of such other title insurance.

3. Fees for the recording of the deed, power of attorney and any affidavit required in connection with the mortgage tax credit available under RPL §339-ee which are approximately $235, $100 and $50 for each document.

4. In the event the Purchaser shall obtain a purchase money first mortgage, Purchaser shall pay recording fees for the mortgage of approximately $100. For first mortgages in an amount less than $500,000, Purchaser shall pay mortgage tax of 2.05% of the amount of the mortgage less $25 and for first mortgages in an amount in excess of $500,000, Purchaser shall pay mortgage tax of 2.175% of the amount of the mortgage less $25. In addition, the Purchaser will be required to pay the lending institution's attorney's fees, any mortgage origination fees, bank credit an appraisal fees and other

expenses that the lending institution may charge incident to the making of the permanent loan. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor may have previously paid in connection with existing mortgage on the Condominium. There will be no mortgage closing costs pursuant to this paragraph 4 on Residential Units which are not covered by mortgages.

5. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT, the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

   The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

   The steps to compute the tax are:

   (a) Multiply the purchase price by the State Tax Rate to compute the tentative NYSTT.

   (b) Multiply the purchase price by the New York City Tax Rate to compute the tentative NYCRPTT.

   (c) For NYSTT purposes, add the NYCRPTT to the purchase price (item "b")

(d) For NYCRPTT purposes, add both the NYSTT and NYCRPTT to the purchase price (items “a” and “b”).

(e) Multiply the total of “c” above by the NYS tax rate for the NYSTT due.

(f) Multiply the total of “d” above by the NYC Tax Rate for the NYCRPTT due.

*TRANSFER TAX EXAMPLE: Purchase Price = $729,000

(a) $729,000 x .004 = $2,916 = tentative NYSTT
(b) $729,000 x .01425 = $10,388 = tentative NYCRPTT
(c) $729,000 + $10,388 = $739,388 = Purchase Price for NYSTT
(d) $729,000 + $2,916 + $10,388 = $742,304 = Purchaser Price for NYCRPTT
(e) $742,304 x .004 = $2,969 = amount due for NYSTT
(f) $742,304 x .01425 = $10,578 = amount due for NYCRPTT

* Note, transfer costs may be higher or lower based on price of Unit

6. Working capital in the amount of two (2) months Common Charges to be paid to the Condominium. While Sponsor is in control of the Board of Managers, the working capital fund will not be used to reduce the Common Charges of the Condominium. If any portion of the working capital fund is used during this period to pay for items in the budget set forth, such amounts will be repaid to such fund out of Common Charges collected.

7. The Mansion Tax is required to be paid by the Purchaser; however, the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser.

   The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

   - The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.

   - The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

   The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax.

When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, Commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

8. Each Purchaser shall pay $2,500 to Sponsor's counsel, representing a fee for services in connection with preparing the Unit Deed, the Unit Owner's Power of Attorney and for coordinating and attending the closing. Such fee shall be payable at or prior to the closing by Purchaser's unendorsed, personal check made payable directly to the order of Sponsor's attorney.

9. Any mortgage tax credit received pursuant to Section 339-ee of the Real Property Law will inure to the benefit of Sponsor.

10. A pro-rata portion of the estimated first year condominium insurance based on the percentage of Common Interest of the Unit being purchased.

11. After Closing of title to each Residential Unit the Purchaser thereof must comply with the procedures established by the Managing Agent or the Board of Managers regarding such Purchaser's move into the Residential Unit. This will include "move in" fees, which will be refunded to the

Purchaser unless the Purchaser or the Purchaser's agents cause damage (harm that reduces value or usefulness) to the Building during the move in. In such an event the move in fees will be used to repair said damage. In the event the move in fees are less than any damage caused, the Purchaser will be responsible for the additional amount. In the event the move in fees are greater than the damage caused, the Purchaser will be refunded the excess amount. At this time the Board of Managers will be collecting move in fees from Purchasers in the initial amount of $1,000. In addition, Purchasers will be required to utilize licensed professional movers when moving in and out of the Building. Said movers must carry all-risk general liability insurance in a minimum amount of $1,000,000 per occurrence and name the Board of Managers of the Condominium as additional insured. A copy of said policy must be tendered to the Board a minimum of three (3) business days prior to the scheduled move date.

As an example, a Purchaser of a Residential Unit in which the purchase price is $729,000 and who procures a first mortgage in the amount of $583,200 will pay the following approximated closing costs:

Fee Title Insurance:	$ 2,768
Mortgage Insurance:	$ 681
Deed Recording Fee:	$ 235
Power of Attorney Recording Fee:	$ 100
Mortgage Recording Fees:	$ 225
§339-ee Affidavit Recording Fee:	$ 50
New York State Transfer Tax:	$ 2,916
New York City Transfer Tax:	$10,388
Mortgage Tax:	$13,996
Condominium Working Capital:	$ 803
Pro-Rata Insurance	$ 721
Sponsor Attorney Fees for Preparation of Deed, Power of Attorney and other Closing Documents:	$ 2,500
TOTAL	$35,383

In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250.

In addition, in the event the Sponsor's Attorney is required to prepare the New York City "ACRIS" transfer documents Purchaser shall be required to pay Sponsor's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company.

In the event a closing is adjourned with Sponsor's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of

Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $500.

In the unlikely event the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against said Unit for the six (6) month period following the first closing. This is a determination made by the taxing authority and not in control of the Sponsor. Said amount is to be paid by Purchaser. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the Escrow Account when taxes are due and payable and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes.

If through no fault of Sponsor, Purchaser fails for any reason to close title within seven (7) days after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing date (as the case may be). In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to .0438% (which equals an annual rate of 16%) of the purchase price for the Unit(s) and for each day beyond such originally scheduled or Sponsor adjourned Closing date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges.

The fee title policy premiums and the recording charges set forth above are estimates based on the rates in effect as of the date of this Offering Plan. If said premiums, charges or rates are subsequently revised by the title company, the State, or Municipality, each Purchaser shall be required to pay the title policy premiums, recording charges and closing costs in effect as of the date of the closing of title to their Residential Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be real estate taxes and sewer charges, if any, and Common Charges, if they have been declared by the Board of Managers. The adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the closing. The Sponsor will advise the Purchaser of the closing date by giving him written notice at least thirty (30) days prior to the closing date.

XVIII. RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. During the time the principals of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Sponsor must enforce its obligations under the Plan, as those obligations are described in the Plan; Sponsor and its principals owes a fiduciary duty to the Condominium to do so. Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium, however, Sponsor is retaining the unconditional right to rent rather than sell the Units (with respect to the Residential Units after consummation of the Offering Plan). Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, this plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective (2 Residential Units) and owner-occupants may never gain effective control and management of the Condominium. Sponsor will not rent any Residential Units prior to consummation of the Offering Plan.

The following shall pertain to the Sponsor:

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

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

3. Until title to a Unit is passed to a Purchaser, the Sponsor will pay such Common Charges, special assessments and real estate taxes, as are assessed by the Board of Managers of the Condominium and the City of New York on the Units to which title has not passed. Once title is passed to a Purchaser the Purchaser shall be solely responsible for all Common Charges, special assessments, real estate taxes and all other costs applicable to the Unit, as are assessed by the Board of Managers of the Condominium and the City of New York. No bond or other security has been posted to secure such obligations. Sponsor will fund its financial obligations to the Condominium from the income derived from the sale of the Units and

Sponsor's assets. Sponsor currently has the resources necessary to meet its obligations under the Offering Plan.

4. In the event a Unit is damaged by casualty or other cause prior to the closing of Purchaser's Home, through no fault of Purchaser, Sponsor shall repair the Unit to meet the specifications set forth in the architects and/or engineers property description report(s) contained herein prior to closing of title to such Unit. In the event Sponsor cannot complete such repair within the anticipated delivery timeframe set forth in the Offering Plan or Purchase Agreement, Purchaser shall be afforded a right of rescission.

5. Sponsor will initially procure fire and casualty insurance for the Condominium on the terms set forth in the budget, which shall be pursuant to an agreed upon amount for replacement value or in an amount sufficient to avoid coinsurance, and, in the event, Sponsor has prepaid the first-year insurance premium, will collect a pro-rata share of said insurance from a Purchaser at each closing based on the Unit's percentage of common interest. Notwithstanding, in the event the amount of insurance increases or additional funds are required to pay for such insurance, Sponsor will have the option to lend the Condominium such funds and Sponsor will be repaid out of subsequent Common Charges collected. No Board or Unit Owner approval is required to make such loan.

6. In the event of the dissolution or liquidation of the Sponsor or the transfer of twenty (20%) percent or more of the total number of Residential Units in the Condominium, the Principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all the obligations of the Sponsor for those Residential Units under the Offering Plan, applicable laws or regulations.

7. Sponsor has obtained financing (the "Building Loan") from Ponce Bank, ("Lender"), having an office at 2244 Westchester Avenue, Bronx, New York 10462, which has enabled Sponsor to purchase and update the Development. After the recording of the Declaration and before the closing of title to the first Unit, any Building Loan mortgage will be satisfied or released, such that the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Lender has not placed any other restrictions on the marketing, selling, or renting of Units. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase price, but rather Sponsor may use the

proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor's Building Loan added to Purchaser's individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage.

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor's construction loan. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (two (2)) of the Residential Units being offered for sale.

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

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units;
(ii) subordinate the lien of its mortgage to the declaration of condominium; or
(iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

There will be no steps needed to be undertaken by Purchaser; Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any. Any fees imposed by a Purchaser's lender shall be at the sole cost and expense of Sponsor. If there is any possibility that Purchaser or a Purchaser's mortgage commitment could be adversely affected by a request for an assignment, then Sponsor shall have not the right to make such request.

Purchasers should note, in the event Sponsor seeks an assignment of a portion of the Building Loan to Purchaser's mortgage lender, in order to get the benefit of any available mortgage tax savings, such severance and assignment would not result in any additional risk or cost to the Purchaser. Sponsor will initiate any severance and assignment transaction only after financing has been procured by Purchaser. Furthermore, should this transaction fail to take place and result in the loss of Purchaser's financing commitment, then Purchaser will be afforded an opportunity to obtain new financing, if Purchaser so elects.

8. The Sponsor will diligently, expeditiously and at its own cost, complete construction of the Condominium in accordance with the plans and specifications described in the architects and/or engineers property description report(s) contained herein and will diligently perform all of its obligations set forth in this Offering Plan and will deliver to the Board of Managers a copy of the "as built" plans filed with the recording of the Declaration or any amendment thereto and in addition will provide the Board

with a full set of building plans filed with the local Municipality together with any “field changes” made during the course of construction. Purchasers should note that there is a rebuttable presumption that a variation of five (5%) percent or less in the estimated square footage of the Units shall not be considered a material adverse change that would trigger a right of rescission. Notwithstanding the foregoing, a decrease of less than five (5%) percent could be material and may require consent of any affected purchaser under contract. Furthermore, Sponsor reserves the right to select the ultimate location of the kitchen and bathroom cabinets, counters and drawers, as same may differ from the locations set forth on the floorplans. Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of Equal or Better quality or design for any of those set forth. The substitution of materials, fixtures, appliances and equipment will be disclosed in an amendment to the Offering Plan.

Sponsor may not change the size, location of buildings or Units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees’ consent in writing to such change. Sponsor further reserves the right to determine the ultimate Residential Unit type mix to be constructed at a Building; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, mailboxes; and make any other changes required by the City of New York. Any such changes may not adversely affect the value of any Unit to which title has closed or for which a purchase agreement has been executed unless all Unit Owners or contract vendees, who are not in default, have consented.

Sponsor has a right to substitute equipment or materials and make modifications of layout or design, provided however, that Sponsor may not substitute equipment or materials of lesser quality or design. In the event an affected Unit is under contract, Sponsor shall first obtain consent from the Purchaser of said Unit. In the event that Sponsor does not obtain consent from the Purchaser, Sponsor must offer the Purchaser the right to rescind Sponsor is obligated to construct the premises in accordance with building plans and specifications. If Sponsor alters layouts and/or floor plans, Sponsor must receive approval from all applicable governmental agencies.

Sponsor's obligation is to build and complete the Condominium in accordance with the building plans and specifications identified in the Plan. Any modification to or variation therefrom will be first disclosed in an amendment to the Offering Plan.

9. At the closing of title of the Unit, the Sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

   At the closing of title, the Sponsor will deliver the certificates and warranties delivered to it and transferable to Purchaser. Sponsor's liability pursuant to any manufacturers' warranties covering heating, appliances, electricity, plumbing and roofing are limited solely to the extent that such warranties are delivered to Sponsor, transferable to the Purchaser or to the Board of Managers and then only as against such manufacturer.

10. The building has an anticipated completion of December 1, 2025.

    Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a PCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is available on the DOB website at:

http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

In the event Sponsor obtains a TCO for the Building, a tenant protection plan will be put in place prior to any occupancy of the Building.

If the first closing takes place prior to the issuance of a PCO for the property:

(i) Sponsor is required to maintain all deposits and funds in any special escrow account required by General Business Law, section 352-e(2-b) unless the sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a PCO, in which case the sum exceeding the amount so certified by the sponsor's engineer, architect or other qualified expert may be released from any special escrow account. Alternatively, sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

(ii) Notwithstanding subparagraph (i) of this paragraph, if the offering plan is subject to the provisions of General Business law, section 352-ee, sponsor is required to maintain all deposits and funds in any special escrow account required by General Business Law, section 352-e(2-b) unless the sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete all alterations and improvements to the public portions and common areas of the building. In such case the sum exceeding the amount so certified by the sponsor's engineer or architect may be released from any special escrow account. Alternatively, sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

11. The Purchaser of a Residential Unit will inspect such Residential Unit prior to the Closing Date and will execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential 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 of a material nature to be completed in the Residential Unit by Sponsor as provided in the Purchase Agreement. Sponsor will have no obligation to complete any work, which is not specifically designated by the Purchaser on the inspection statement. Notwithstanding the foregoing, Sponsor's obligation is to construct the premises in accordance with all applicable codes and filed plans and specifications and Sponsor will complete any work that does not meet such obligations. A Purchaser will receive prior notice that a Residential Unit is available for inspection pursuant to this Paragraph, as more particularly set forth in the Purchase Agreement in Part II of the Plan. A Purchaser who fails to inspect such Residential Unit will be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan. After Closing of title to each Residential Unit the Purchaser thereof must comply with the procedures established by the Managing Agent or the Board of Managers regarding such Purchaser's move into the Residential Unit. This will include "move in" fees, which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents cause damage (harm that reduces value or usefulness) to the Building during the move in. In such an event the move in fees will be used to repair said damage. In the event the move in fees are less than any damage caused, the Purchaser will be responsible for the additional amount. In the event the move in fees are greater than the damage caused, the Purchaser will be refunded the excess amount.

12. This Development is subject to the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, which pertains to warranties on the sale of certain new Residential Units. This law is applicable to all Residential Units offered for sale under this Plan. Pursuant to the terms of this law, the Sponsor is giving a Limited Warranty to Purchasers, which provides for a Limited Warranty on certain items. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first Residential Unit Buyer only, not to subsequent purchasers; Sponsor's liability is limited to Fifty Thousand ($50,000.00) Dollars; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor. Sponsor's obligation, regardless of any limitation in the Limited Warranty, cannot go below the duty to construct the premises in accordance with all applicable codes and locally accepted building practices for items, which are not covered by codes. General Business Law

§777-b(4)(e)(i). The Limited Warranty provides the following coverages for the Residential Units.

FIRST YEAR BASIC COVERAGE: for one (1) year from the Effective Date of the Warranty (as shown on page 1 thereon), the Residential Unit will be free from latent defects that constitute:

(a) defective workmanship by the Sponsor, or an agent, employee or subcontractor of the Sponsor;

(b) defective materials furnished by the Sponsor, or an agent, employee or subcontractor of the Sponsor;

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Sponsor; or

(d) defective installation of appliances sold as part of the Residential Unit by the Sponsor or an agent, employee or subcontractor of the Sponsor.

TWO-YEAR MAJOR SYSTEM COVERAGE: for two (2) years from the Effective Date of the Warranty, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Residential Unit, which have been installed by the Sponsor, are warranted to be free from latent defects resulting from defective installation by the Sponsor.

SIX-YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six (6) years from the Effective Date of the Warranty, the Residential Unit will be free from latent Major Structural Defects that result from:

(a) defective workmanship by the Sponsor, or an agent, employee or subcontractor of the Sponsor;

(b) defective materials furnished by the Sponsor, or an agent, employee or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Sponsor.

As permitted under the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, the Sponsor excludes the specific warranties set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, and instead is providing each Purchaser with the Limited Warranty. See the complete terms of the Limited Warranty contained in the Rider to the Purchase Agreement set forth in Exhibit D-1 and Article 36-B of the General Business Law set forth in Schedule M. To the extent any coverage under this warranty applies to

Common Elements of the Condominium, such coverage shall be deemed given to the Board of Managers of the Condominium.

Regarding the Common Elements of the Condominium the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan provided and on condition that Sponsor is notified of or becomes aware of such latent defect(s) within twelve (12) months from as of the substantial completion of the Common Elements. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. In no event will Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an non-material nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements that may about the Building, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous China, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square; electrical plates not straight; non-material discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) minor non-material deviations in the level of ceilings, and non-material imperfections in ceiling finishes; (v) non-material imperfections in painting finishes; (vi) non-material deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than ninety (90º) degrees from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing, and HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) minor scratches and non-material imperfections or minor variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other non-material defects in: exterior stone; windows, window glass, frames and hardware; swinging doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural

stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Residential Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or minor variations in tone or color of natural stone or minor variations in tone or color of vanity tops or minor variations in veining or any other natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional minor variations in brick joints, and mortar droppings on bricks; (xvi) non-material ponding and/or controlled drainage on the roof surface; (xvii) non-material cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) non-material cracks or non-material discoloration in concrete and/or paving; (xix) non-material discoloration to hardware and plumbing finishes; (xx) non-material stains, runs, lumps, shags or non-material imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxiii) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone, formica, or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR RESIDENTIAL UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD THEREOF. IF PURCHASERS OR ANY BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

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. Sponsor is obligated to build in accordance with the plans and specifications identified in the offering plan and is only obligated to make repairs to the Common Elements as expressly set forth in the Offering Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the Plans and

specifications contained within the architects and/or engineers property description report(s) or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) immaterial variations from the Plans and specifications contained within the architects and/or engineers property description report(s) or the description of any portion of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such immaterial variations are of Equal or Better Quality than as set forth in the plans and specifications contained within the architects and/or engineers property description report(s) or description in this Plan as solely determined by Sponsor's architect. There is a rebuttable presumption that a decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Any such variation affecting the Property, which is material will be disclosed in a duly filed amendment to the Plan. Furthermore, Sponsor reserves the right to select the ultimate location of the kitchen and bathroom cabinets, counters and drawers, as same may differ from the locations set forth on the floor plans, however, Sponsor may not do so for any Unit under contract without written consent of the Purchaser. Notwithstanding anything to the contrary set forth herein, Sponsor has the obligation 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.

Sponsor shall specifically list items that are present in the Units or Common Elements which will not be included in the conveyance. As such, Sponsor specifically excludes all personal property located within the Units or within the Common Elements, which have been, or are being utilized in connection with the construction of the Building (such as building supplies, tools and equipment) and any furnishings, material and/or electronics utilized in connection with the sale of Units and marketing of the Condominium.

13. At the closing of title of the Unit, the Sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

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

The Sponsor will pay all expenses incurred prior to the establishment of the Condominium and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred or in connection with the sale of all of the Residential Units held or owned by the Sponsor and will pay all selling expenses including, but not limited to, advertising and printing costs, architect fees, and costs of filing this Offering Plan and amendments thereto.

15. No bond or other security has been posted to secure Sponsor's obligations.

16. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing its construction and sale of the Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the Common Elements. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. Finally, the Sponsor reserves the right to continue to use the Common Elements and any facilities, sales offices, model units and signs located on the Common Elements, in its efforts to market the Units in the Condominium. Sponsor will be obligated to repair any damage to the Common Elements and Units caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the construction of the Condominium, at no cost to Purchaser. Sponsor's use of the easements, licenses, rights and privileges of a right-of way to complete the Condominium will <u>not</u> preclude a Unit Owner from using its Unit as a single-family residence. Sponsor's right to use of the Common Elements, as described herein, will terminate when the Sponsor ceases to own any Units in the Condominium.

17. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six (6) years from the date the Declaration is recorded for examination by any person who has purchased a condominium interest offered by this Plan or otherwise has participated in this offering: This Offering Plan; the proposed Declaration and By-Laws of the Condominium; public liability, fire and casualty policy, and Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of

the form of Residential Unit Owner's Purchase Agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

18. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the declaration are an accurate copy of portions of the plans of the buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

19. As noted in Section XII, Sponsor will not enter into interim leases with Purchaser for Residential Units prior to closing.

20. A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common Charges may commence with the Closing of Title to the first Unit, however, see Section XX as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Until title to a Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and Special Assessments as are assessed by the Board of Managers on Units, to which title has not passed. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges associated with the Unit. As long as the Sponsor retains a majority of the Board of Managers, the Board of Managers may commence the collection of Common Charges upon the Closing of Title to the first Unit or at any subsequent date as in its sole discretion it may determine. Prior to the commencement of the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first-year budget at its sole expense. See Article VI of Schedule I in Part II of the Plan.

    Sponsor and/or the Board of Managers shall have the right to waive Unit Owner obligations to pay Common Charges from and after the first Unit closing for a period to be determined by the Sponsor or the Board of Managers ("Waiver Period") provided the basic operating costs of the Condominium, including without limitation any insurance premiums and reserve fund (collectively, "Operating Costs") are paid by either (i) Sponsor ("Sponsor Paid Waiver Period") or (ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, according to the allocation of Common Expenses as set forth in the Offering Plan ("Unit Owners Paid Waiver Period"). Such Unit Owner Waiver Period shall be at the discretion of Sponsor and/or the Board and shall mean the payment of the basic operating costs (not the full budget). If the Sponsor or Board of Managers elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the

expiration date of the Waiver Period, (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period and Sponsor shall remain obligated to update the certified budget and provide audited/certified financial statements. Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g., seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Depending on the occupancy level in the Building it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases. In the event the Sponsor or the Board of Managers thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Board of Managers shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, during any Waiver Period (regardless whether the Sponsor Paid Waiver Period or the Unit Owners Paid Waiver Period), Unit Owners will remain responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including without limitation (as applicable) real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Board of Managers for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit.

21. There will be a common storage room, which shall be divided into ten (10) individual storage lockers (the “Storage Lockers”); each locker shall be sold by Sponsor pursuant to revocable license agreements (“Storage Locker License Agreement”), on a first come first served basis. Initially Unit Owners will only be permitted to purchase one (1) Storage Locker. The Purchase price of each Storage Locker License is listed in Schedule A-1, following the Footnotes to Schedule A in Part I of the Offering Plan. There shall be no monthly fee for maintenance as indicated on Schedule A-1. Purchasers of Storage Locker Licenses will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the License Agreement. Each Purchaser of a Storage Locker License shall be obligated to pay a fee to Sponsor’s counsel, in the amount of $1,000, for the preparation of the Storage Locker License

Agreement. Purchasers should that note Storage Lockers may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Locker Licenses may only convey their Storage Lockers to current or future Residential Unit Owners. The Storage Lockers are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Lockers are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Locker licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. The Storage Lockers will be enclosed by single-tier welded steel mesh. The fire protection of the storage room is by the sprinkler systems.

All Storage Locker License owners, including Sponsor in its role as an unsold Storage Locker License owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage area for the storage locker licenses, and (ii) the payment of any maintenance fees, license fees imposed by the Board related to the storage locker licenses. However, the Board may not impose any fees without the express written consent of the Sponsor. Notwithstanding the foregoing, there shall be no fees paid on Licenses which have not yet been sold. A copy of the Storage Locker License Agreement is annexed hereto as Schedule D-5.

Disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation is not permitted. Sponsor shall deliver a set of “as-built” plans to the Board of Managers.

XIX. CONTROL BY THE SPONSOR

The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium until all of the Residential Units in the Condominium are sold. Thereafter, the Sponsor shall retain the right to designate a minority of the Board of Managers until such time as Sponsor no longer owns the Commercial Unit. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers at any time. The By-Laws do not require a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Further, the Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e., purchasing a Residential Unit to live in as opposed to purchasing as an investment. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. The Board of Managers, whether or not controlled by the Sponsor, assumes a fiduciary duty to act in the best interests of the Condominium and its Unit Owners.

The initial Board of Managers will consist of three (3) Sponsor appointees. In the event the Sponsor no longer owns a Unit in the Condominium, the Sponsor shall no longer be permitted to designate or appoint Members to the Board of Manager. A meeting will be held to elect new Board Members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period.

The Sponsor will also, during Sponsor Control Period, have control of maintenance, facilities and services to be provided and will determine the Common Expenses to be paid by all Unit Owners, including Sponsor and the enforcement of the Sponsor's obligations through the Board of Managers. Purchasers individually or as a group may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition, funds utilized for such actions will either have to be obtained by a special assessment of all Unit Owners excluding Sponsor, or obtained through independent funds of the Unit Owners. In the event the Unit Owners are unsuccessful in an action against Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding the Sponsor. Any provisions that give the Sponsor control over the enforcement of the Sponsor's obligations are not lawful.

The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. The first Board of Managers will call for the first Annual Meeting of the Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Residential Unit;

wherein Sponsor will designate two (2) Board Members and Unit Owners will elect one (1) Board Member until the end of the Sponsor Control Period.

Sponsor will continue to hold annual meetings during the period it controls the Board of Managers. Upon the election and designation of the new Board, the Members of the first Board will resign. Members of the Board of Managers shall not be compensated for their services. Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Residential Unit Owners. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

For a period ending not more than five (5) years after the Closing of Title to the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner, the Board of Managers may not, without the Sponsor's prior written consent, (i) make any additions, alterations or improvements to the Common Elements or to any Unit costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; (iii) enter into any contracts not in existence on the date of the first Closing of Title to a Unit; or (iv) borrow money on behalf of the Condominium; or (v) reduce the services or maintenance set forth in Schedule B; (vi) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the condominium; or (vii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent; or (viii) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

The members of the Board of Managers will work in the best interest of the Condominium and its Unit Owners. The Sponsor and/or its principals will not engage in "sweetheart" deals. At no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) remedy a matter regarding the health and safety of the occupants of the Building.

As noted above, the Sponsor has the right to retain control over certain expenditures and fiscal actions of the Board of Managers. Notwithstanding said fact, Sponsor may not exercise veto power over expenses described in Schedule B (the proposed first year budget), or over expenses required:

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notice of violation; or
(iii) to remedy any work order by an insurer; or

(iv) to remedy any condition which affects the health and/or safety of the occupants.

The above provisions provide that during said period, significant financial decisions of the Board of Managers will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow money, as provided in The Condominium Act (Article 9-B of the Real Property Law, §339-jj), for a capital improvement all Residential Unit Owners are in favor of, or the ability to enter into a contract with a lawyer and fund legal fees if the Sponsor fails to comply with provisions in the offering.

The detailed provisions for the management of the Condominium are set forth in the By Laws which are contained in Part II of the Offering Plan in Schedule J. The By-Laws contain provisions, among others, dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Residential Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Residential Units. The By Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to designate Committees or a managing agent to carry out such function.

XX. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium referred to in the Plan appear in Part II as Schedules I and J.

The following is a summary of certain provisions of the By-Laws and Declaration.

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Members designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. The first Board of Managers will call for the first Annual Meeting of the Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Residential Unit. Until succeeded by the Members elected at the first annual meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members shall be elected or designated. One (1) member shall be elected/appointed by the Commercial Unit Owner and two (2) members shall be elected by the Residential Unit Owners. The term of office of one (1) Member shall be fixed for three (3) years, the term of office of one (1) of the Member shall be fixed at two (2) years, and the term of office of one (1) Member shall be fixed at one (1) year. The term of office of the Commercial Unit member shall be fixed at three (3) years. Separate ballots shall be conducted for each of the three terms of office. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration. The Commercial Unit Owner(s) (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for the Commercial Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration, if not appointed. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting. Elections are to be held annually. During the Sponsor Control Period, Sponsor will have voting control of the Board of Managers. After the Sponsor Control Period, and until the Commercial Unit are sold, Sponsor will retain the right to designate the Commercial Unit Member to the Board, which is in addition to

Sponsor's right to designate a member based on Sponsor's ownership of Residential Units. Notwithstanding the foregoing, Sponsor shall not be entitled to designate a majority of the Board after the expiration of the Sponsor Control Period.

Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's board representatives cannot lawfully vote on that issue. The By-Laws do not include a provision that a majority of the Board of Managers must be Owner-occupants or members of an Owner-occupant's household who are unrelated to the Sponsor and its principals, after the end of an initial Sponsor control period.

The first Board of Managers of the Condominium will consist of Guan Shawn Wang, Haoji Yu and Benjamin Yam, all of whom are Principals of the Sponsor.

The first annual meeting of the Board of Managers of the Condominium will take place within one (1) year of the closing of the first Residential Unit in the Condominium. Thereafter, annual meetings shall be held on the anniversary date of each succeeding year, unless such date is changed by the Board of Managers.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Residential Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each Residential Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential Unit Owners of the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

Officers and Members of the Board of Managers shall not be entitled to compensation for serving on the Board.

Removal of Members of the Board of Managers

Residential Unit Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the respective Residential Unit Owners. No representative of the Board of Managers, other than a member of the first Board of Managers or Sponsor's designees or nominees, shall continue to serve on the Board if, during their term of office, the Member shall cease to be a Residential Unit Owner.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by its Board of Managers. The powers of the Board of Managers include, but are not limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

3. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;

4. To make repairs, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

5. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner may secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Residential Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Residential Unit Owner and pertinent to the operation of the Condominium and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Residential Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the operation, care upkeep and maintenance of the General Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit.

14. Pursuant to Section 339-y (4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Units. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit;

15. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

16. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws or as promulgated by the By-Laws.

There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers.

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state rent regulation and is not subject to a right of first refusal by the Board of Managers.

Liability of Board of Managers and Residential Unit Owners

In order to limit the liability of the Unit Owners, any contract, agreement or commitment made by the Board of Managers or Officers of the Condominium shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no Member of the Board of Managers or Officers of the Condominium nor individual Unit Owner shall be liable for such contract, agreement or commitment except that every Unit Owner shall be liable to the extent that their proportionate interest in the Common Elements bears to the total liability under such commitment. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all Members of the Board of Managers against any liabilities or claims arising from acts taken by a Member of the Board of Managers in accordance with their duties except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited to the extent that their proportionate interest in the Common Elements bears to the total liability of the Member of the Board of Managers.

Indemnification of Board of Managers

The Unit Owners of the Condominium shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers

shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). In the event a Member of the Board of Managers acts in bad faith or contrary to the provisions of the Declaration or By-Laws, the individual Member may be personally liable.

Officers

The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one (1) or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. Officers do not need to be Residential Unit Owners. Two (2) or more offices may be held by the same person, except for the President whom can only hold the office of the President.

The President shall be the chief executive officer of the Condominium, shall preside at all meetings, shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect.

The Vice President shall take the place of the President and perform the duties of the President whenever the President is unable to do so.

The Secretary shall record all votes and the minutes of all proceedings in a book.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Residential Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Residential Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, repairs and replacements to the General Common Elements including but not limited to exterior walls of a Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located outside the Unit shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs

occurring in the General Common Elements. All maintenance, repairs and replacements within and to the Residential Units, whether structural or nonstructural, Ordinary or Extraordinary, will be made by the respective Residential Unit Owners at their expense.

All general maintenance and repairs to Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature, shall be the responsibility of the Residential Unit Owner whose Limited Common Element it is. All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Residential Unit exclusively shall be the responsibility of the Residential Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor.

The Condominium shall be responsible for the maintenance, repairs and replacements to all elements of the building which service two (2) or more Residential Units and which are located in the space between the exterior face of the sheetrock wall enclosing the interior of a Residential Unit and the exterior face of the exterior masonry wall. As such, any Common Elements located within a Residential Unit shall not be considered a part of such Unit.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under this Offering Plan, the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of a Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of a Building and the Board of Managers or the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the

insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Residential Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Residential Unit Owners do not resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on the Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

Reports to Residential Unit Owners

All Residential Unit Owners will receive within four (4) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Residential Unit Owners, and a notice of the holding of the annual Residential Unit Owners meeting. All Residential Unit Owners shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month. During such time as the Sponsor retains a majority of the Board of Managers, the Board shall provide a certified annual statement at the cost of the Condominium.

Amendments

The Declaration may be amended upon a vote of at least sixty-six and two-thirds (66⅔%) percent of the Residential Unit Owners in number held at a duly called meeting of the Residential Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Residential Unit, unless all of the record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

(ii) No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of mortgagees or the Sponsor.

(iii) No amendment to the Declaration shall affect the Limited Common Elements appurtenant to a specific Residential Unit without the written consent of the specific Residential Unit Owner affected thereby unless required for the health and safety of the Condominium.

(iv) No Amendment to the Declaration shall adversely affect the Commercial Unit Owner without the written consent of the Commercial Unit Owner, unless required for health and safety of the Condominium.

The By-Laws may be amended at any duly called Residential Unit Owners meeting provided:

(i) That the notice of the meeting shall contain a full statement of the proposed amendment;

(ii) That the amendment shall be approved by at least sixty-six and two-thirds (66⅔%) percent of the Residential Unit Owners in number and Common Interest; and

(iii) Said amendment shall be set forth in a duly recorded amendment to the Declaration.

No amendment to the Declaration or By-Laws shall be passed which would affect or impair the validity or priority of the Residential Unit Owners' interest and the interests of holders of a mortgage encumbering a Residential Unit or Residential Units. No amendment to the Declaration or By-Laws shall be passed which would impair or prejudice the rights and priorities of mortgages or the Sponsor.

Units Acquired by the Board of Managers

All Units which are acquired by the Board of Managers, or its designee as a result of foreclosure of a lien for non-payment of Common Charges, shall be held by the Board on behalf of all Unit Owners. The percentage of Common Interest acquired by the Board shall remain as originally designated in Schedule A of the Offering Plan and the Declaration of Condominium and the Board shall be responsible for paying all Common Charges appurtenant to said Unit. The Board shall be entitled to cast all votes that are appurtenant to said Units at any Unit Owners meeting for all purposes except for the election of Members to the Board of Managers.

Termination of Condominium

This property shall not be withdrawn from the provisions of Article 9-B of the Real Property Law unless at least eighty (80%) percent of the Residential Unit Owners in number and in Common Interest and the first mortgagees, if any, of these same Residential Units agree to the withdrawal of this property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty (80%) percent of Residential Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

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

XXI. RIGHTS AND OBLIGATIONS OF RESIDENTIAL UNIT OWNERS AND THE BOARD

Sale or Lease of Units

Units can be sold or leased by a Unit Owner provided that the Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale).

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By-Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state rent regulation and is not subject to a right of first refusal by the Board of Managers.

A Residential Unit Owner is free to make a gift of the Residential Unit Owner's Unit to anyone during the Residential Unit Owner's lifetime or to devise the Residential Unit by will, or to have it pass by intestacy without any restriction. The restrictions regarding the sale or lease of a Residential Unit shall not pertain to the Sponsor.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national original, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law, in its sale or lease of any Residential Unit which it acquires.

The terms on leases of Residential Units are not currently subject to any state or local laws.

Each Unit Owner, on the closing of title to his or her Unit shall be required to execute a Power of Attorney in the form contained in Part II of this Plan as Exhibit E, as same may be amended from time to time as required by applicable law, constituting the fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, and otherwise acting in accordance with the Condominium's Declaration and By-Laws designating the Sponsor as Purchaser's attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of a Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such

Condominium as described in Article Tenth, Section (c) of the Declaration of Condominium.

No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Real Property Law Section 339-kk

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York any non-occupying owner who rents a Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. A complete copy of Section 339-kk of the Real Property Law is contained in Part II of the Plan as Schedule M.

Restrictions on Occupancy and Use

Occupancy of a Residential Unit may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

The Commercial Unit may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for retail purposes.

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Unit Owners. No Unit Owner shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang any item (including but not limited to, garments, rugs, etc.) from the windows or from a Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements for storage unless designated for such use. No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Residential Unit. All Residential Unit Owners must maintain their thermostat at a minimum of sixty (60º) degrees Fahrenheit to avoid pipes from freezing. Any Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof. See Schedule J, Article VIII for complete details.

Restrictions on Pets

No animals shall be kept or harbored in the Condominium or any Residential Unit except for the following: one (1) dog weighing sixty (60) pounds or less; one (1) household cat; one (1) domestic bird and domestic fish. Fish tanks and/or aquariums shall not exceed one-hundred (100) gallons. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Residential Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers.

In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium and shall comply with the local and municipal rules and regulations regarding pets. In no event may any Unit Owner maintain a "pit-bull" or other potentially dangerous dog or other dangerous animal in any Unit or within the Condominium. No pigeons or other birds or animals shall be fed from the window sills, balconies, terraces or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board setting forth such other rules regarding pets as the Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

Mortgage of Residential Units by Residential Unit Owners

A Unit Owner may mortgage the Unit Owner's Unit at any time after the Unit Owner acquires title to the Unit in whatever amount and under whatever terms the Unit Owner can obtain provided the Unit Owner first notifies the Board of Managers. Any Unit Owner may, upon the resale of their Unit, grant a purchase money mortgage to a purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage.

Common Charges Assessment and Collection

The Board of Managers will prepare and furnish its budget to the Residential Unit Owners and their mortgagees annually. Based upon such budget and any modification thereof approved by the Board of Managers, all the Unit Owners will be charged for the cost of the Common Expenses for operation of the Condominium in accordance with their interest in the Common Elements.

The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers,

reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition, Common Charges may have to be increased as a result of Residential Unit Owners not paying their Common Charges.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by FiDy Management, Inc., having an office at 227 Sea Breeze Avenue, Unit C-404, New York 11224. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for fire and other casualty insurance on the Building and the Common Elements, public liability and property damage insurance, legal and accounting expenses, supplies, a contingency reserve and other Common Expenses of the Building as set forth in Schedule B. The Common Charges do not include maintenance, repairs or decoration of interior of the Residential Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Residential Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. See Schedule B-1 for estimated electrical, heating and other utility costs for the Residential Units. However, additional services which the Residential Unit Owners may desire or other factors can increase these charges.

The initial Board of Managers may commence the collection of Common Charges upon the closing of title to the first Residential Unit or at any subsequent date as in its sole discretion it may determine. Prior to the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first-year budget at its sole expense. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set forth herein. The Common Charges will initially be placed in an account in the name of the Board of Managers in a bank authorized to do business in the State of New York.

Sponsor and/or the Board of Managers shall have the right to waive Unit Owner obligations to pay Common Charges from and after the first Unit closing for a period to be determined by the Sponsor or the Board of Managers ("Waiver Period") provided the basic operating costs of the Condominium, including without limitation any insurance

premiums and reserve fund (collectively, “Operating Costs”) are paid by either (i) Sponsor (“Sponsor Paid Waiver Period”) or (ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, according to the allocation of Common Expenses, or any Special Allocation of Common Expenses, set forth in the Offering Plan (“Unit Owners Paid Waiver Period”). Such Unit Owner Waiver Period shall be at the discretion of Sponsor and/or the Board and shall mean the payment of the basic operating costs (not the full budget). If the Sponsor or Board of Managers elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the expiration date of the Waiver Period, (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period and Sponsor shall remain obligated to update the certified budget and provide audited/certified financial statements. Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g., seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Depending on the occupancy level in the Building it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases. In the event the Sponsor or the Board of Managers thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Board of Managers shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, during any Waiver Period (regardless whether the Sponsor Paid Waiver Period or the Unit Owners Paid Waiver Period), Unit Owners will remain responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including without limitation (as applicable) real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Board of Managers for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit.

In the event a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers determines the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually.

The Sponsor shall be liable for the Common Charges, special Common Charge assessments, real estate taxes and individual utility costs of all Residential Units to which title has not been transferred to a Purchaser commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a Purchaser, the Purchaser shall be solely responsible for all costs associated with the Residential Unit including but not limited to Common Charges, any special Common Charge assessments, real estate taxes and all individual utility costs.

Liens for the Non-Payment of Common Charges

Under Section 339-z of the Real Property Law of the State of New York, the Board of Managers shall have a lien against each Unit for its unpaid Common Charges and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Unit except that the Board shall, in accordance with the Declaration, release the lien and right to collect unpaid Common Charges against any purchaser of a Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Managers may foreclose the lien in the same manner as a mortgage on real property or being a separate action to collect the unpaid Common Charges and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges thereafter assessed against the Unit Owner's Unit shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Unit Owner may convey their Unit to the Board of Managers or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and By-Laws, and in such event the Unit Owner shall be exempt from any Common Charges thereafter assessed, but not relieved of their obligation to pay the Unit Owner's mortgage. However, a Unit Owner may not be exempt from liability for the Unit Owner's Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit Owner's Unit.

Upon a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges assessed against such Unit prior to the acquisition of such Unit by the Purchaser, except that a first mortgagee who acquires title to a Unit or a Purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Unit by the first mortgagee or purchaser at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for

in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

Repairs, Alterations and Improvements to the Units

No Residential Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Residential Units, without the prior written approval of the Board of Managers. Furthermore, no Residential Unit Owner may alter or remove any interior wall without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed addition, alteration or improvement. No Residential Unit Owner will make any addition, alteration or improvement of a structural nature in or to any Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Residential Units, without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Residential Unit Owners from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from their alterations, additions or improvements to their Residential Unit.

Any application to any department of The City of New York or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The above provisions regarding changes to a Residential Unit shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed to a bona fide purchaser by the Sponsor or such designee.

All maintenance (including electrical repairs and plumbing stoppages in the Units, interior painting and decorating of the Units), repairs and replacements to the interior of the Units including repairs to the heating/air conditioning system servicing said Unit whether inside or outside the Unit, all appliances located therein, pipes, wires and conduits servicing a single Unit other than as may be set forth in the Condominium By-Laws shall be made by the respective Unit Owner at the Unit Owner's sole cost and expense. All maintenance and repair to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner at the Unit Owner's sole cost and expense. All maintenance, repair and replacement to the external portion of the window area, the actual window and external portion of the doors which open from a Unit will be the responsibility of the Condominium, unless the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Unit are caused as a direct result of the negligence or act of a Unit Owner. In such an event it shall be the Unit Owners responsibility to repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit.

All general maintenance and repairs to the balconies or terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature, (including maintenance or replacement of the surface of the balconies or terraces), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit. Although the cost of repairs and replacements of the Limited Common Elements shall be borne by the Residential Units Owners, the Board of Managers shall be charged with performing all such repairs and replacements at the Residential Unit Owners sole cost and expense.

In the event that the Residential Unit Owner fails to make any repair or creates any condition which affects a Building, the General Common Elements, the Limited Common Elements, or any other Residential Unit, the Board of Managers, may, upon notice given in accordance with the provisions of the By-Laws, make such repair or correct such condition and charge the Residential Unit for the cost of such service.

In the event it becomes necessary for the Board of Managers to bring any lawsuit or other proceeding to enforce its right to make such repair or correct such condition or to collect any sum due on account thereof, the Board of Managers shall also be entitled to collect reasonable attorney's fees in connection with such suit or proceeding.

Prospective Purchasers should refer to Section XX of the Offering Plan for repairs, alterations and improvements to the General and Limited Common Elements.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen

and laundry equipment initially installed therein by the Sponsor, together with all heating, any air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

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 Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $1,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the Condominium By-Laws. In addition, all Unit Owners are urged to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, 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. All insurance policies required to be maintained by the Board will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws.

The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the Insurance Trustee if the loss shall amount to more than $40,000 to be applied for the purpose of repairing, restoring or rebuilding a Building unless otherwise determined by the Residential Unit Owners, as hereinafter set forth.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by

the Residential Unit Owners or of the invalidity arising from any acts of the insured or any Residential Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The amount of fire insurance to be maintained on the entire Building upon the transfer of title to the first Residential Unit and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be in the amount reflected in the footnotes to Schedule B, the budget for the first year of operation of the Condominium. The Board of Managers shall review the amount of fire insurance annually.

A New York Bank or Trust Company shall be the Insurance Trustee unless or until replaced by a bank or trust company in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall also be a bank or trust company in the State of New York designated by the Board of Managers. The Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a General Common Expense. The Board of Managers shall also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all employees of the Condominium who handle Condominium funds; (2) Worker's Compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, public liability insurance covering each Member of the Board of Managers and each Unit Owner, in such limits as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year.

The public liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be a limit of $1,000,000 per occurrence covering all claims for bodily injury and for property damage arising out of any one (1) occurrence in the Common Elements.

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Residential Unit Owner's other insurance.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE RESIDENTIAL UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

The insurance the Sponsor will initially procure for the Condominium will contain officers and director's liability or fidelity bond insurance.

The Board will arrange for repair of the Units in the event of casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units, after fire or casualty and condemnation provisions see Article VII and XII of the By-Laws. In the event of a casualty loss, the Unit Owners will continue to pay the Common Charges on his or her Unit.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy. See Schedule B for the estimated insurance costs of the Condominium.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

By-Laws and Rules and Regulations

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as any rules and regulations contained in the Declaration or By-Laws or established by the Condominium in accordance therewith. The rules and regulations set forth in the Declaration and By-Laws can be found in Part II of the Plan in Schedule I, Article Seventeenth and Schedule J, Article VIII. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the rules and regulations established therewith.

The provisions of the By-Laws which requires Members of the Board of Managers to be Residential Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other Units and servicing the Unit Owner's Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment

by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Units or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units.

Each Residential Unit Owner will have, in common with all other Residential Unit Owners and each Residential Unit will be subject to, an easement for the use of a Residential Unit's Limited Common Elements and any facilities located therein, including but not limited to, such easement as will be necessary to operate, maintain, repair, rebuild, restore and replace, as necessary, such Residential Unit Owner's Residential Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, water and ventilation.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

The Board of Managers, its agents and employees shall have a right of access to the Units and to the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or any pipe, wire, or conduit therein or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of General Common Charges in accordance with Section 339-m of the Real Property law. Common Charges and Common Expenses shall be allocated and assessed according to the special allocation of Common Charges set forth in Schedule B-2 to the Declaration of Condominium with the special Allocation by Use, Common Interest, and Commercial Common Interest. This percentage determines the amount that the Residential and Commercial Unit Owners will pay for their Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A.

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

of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

The percentage of the undivided interest in the Common Elements shall not be changed except with the consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration.

Copies of both the Declaration and By-Laws are contained in Part II of the Offering Plan.

XXII. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed and taxed as a separate Lot and the Unit Owner will not be responsible for payment of or subject to any lien arising from nonpayment of taxes for another Unit. The estimated monthly costs and charges to be incurred by the Owner of each Unit in the first year in which the Property will be fully subject to real estate taxes together with estimated insurance costs for the fire and liability insurance on each Unit and other carrying costs are set forth on Schedule A.

Pursuant to an opinion letter from SJP Tax Consultants Inc. ("SJP"), 149-41 14 Avenue, Whitestone, NY 11357, it is estimated for the post construction tax year the DOF will set the Total Assessed Value at approximately $870,625 for post-construction. Assuming the tax rates of 12.500% for tax class 2 for the Residential Units and 10.762% for tax class 4 for the Commercial Units.

The Condominium is not eligible for 421-a tax benefits, as such, Schedule A reflects the estimated taxes for the Residential Units without the 421-a tax abatement.

The projected tax liabilities for the first year of Condominium from January 1, 2026 to December 31, 2026 are based on the post-completion assessment are as follows:

Estimated Full Tax Liability 2025/26 and 2026/27 Tax Years:

Tax Year	No. of Taxable Months	Assessed Value	Tax Rate	Total
2025/2026	7	69,613	12.500%	$8,702
2026/2027	5	362,760	12.500%	$45,345
Total	**12**	**432,374**		**$54,047**

The ICAP program has replaced the Industrial and Commercial Incentive Program (ICIP) in New York City. The Industrial and Commercial Abatement Program (ICAP) reduces a portion of the increase in real property taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, by providing up to a maximum of 25-year property tax abatements for qualified projects.

It is important to note that the ICAP benefits are implemented only following the initial tax year (July 1 of any year) after completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy.

<u>ICAP Eligibility</u>

Based upon information furnished to [Metropolitan], and subject to timely completion of work and filing of all documentation pursuant to ICAP of the Real Property Tax Law and applicable rules and regulations as is required to obtain the benefits thereof,

and assuming presently applicable ICAP provisions apply, it is the opinion of Metropolitan that:

- The premises, after construction is completed, will be eligible for the ICAP partial real estate tax exemption under Section 36-12 of the Rules of the City of New York, for up to a 25-year period, as indicated above, including Inflation Protection Benefits

- All Section ICAP partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons. In addition, the benefit can be revoked for business or labor violations.

Post-Completion Projected Assessed Value and Tax Liability

When individually assessed, it is estimated that the Commercial Unit (Cl) without the ICAP benefit will be as follows:

Assessed Valuation ("AV"): 271,360
Annual tax: $33,920

With ICAP Benefits will be as follows:

Assessed Valuation ("AV"): 271,360
Annual tax: $33,920 - $26,259= $7,661

This Commercial Unit would be eligible for a fifteen (25) year ICAP. partial real estate tax abatement, broken down as follows (Following completion of work):

Year:

1-21	**100%**
22	**80%**
23	**60%**
24	**40%**
25	**20%**

Although the aforesaid estimate of actual assessed valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In no event will the consultant, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that predicted above or if the administrative code and the applicable rules and regulations of the City of New York are in the future changed or if the

facts as represented, prove to be untrue. In the event actual real estate taxes differ than from the estimates provided herein, Purchasers will not be offered rescission.

After the condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. In addition, pursuant to the provisions of the Internal Revenue Code of 1986 and the Tax Cuts and Jobs Act of 2017, the real estate taxes payable by a Residential Unit Owner, which are assessed against their Residential Unit by any governmental taxing authority, up to a maximum of $10,000 (inclusive of local and state tax deductions), are a proper deduction in connection with Federal and State Income Taxes payable by such Residential Unit Owner.

Projected tax deductions (where applicable) may vary in future years due to changes in the interest rate on the Residential Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes, or from changes in the assessed value, the tax rate or the method of assessing real property. Each Unit will be given a separate block and lot designation.

The estimate of real estate taxes for each Unit for the first year of Condominium operation further assumes that the amount of real estate taxes payable with respect to each Unit will be calculated by dividing the total tax liability among the Units in proportion to their percentage of Common Interest as indicated in Schedule A. There is no assurance that the City of New York will allocate taxes between Units in proportion to their percentage of Common Interest. If they do not, Owners of Units with the same Offering Price will pay different amounts of real estate taxes.

Although in the Sponsor's opinion this method of calculating the real estate taxes applicable to each Unit is reasonable, there can be no assurance that the final exemptions applied for will be granted or that this method of calculation of real estate taxes applicable to each Unit will be the final method used by the New York City taxing authorities in establishing the real estate tax assessment for each Unit. If for any reason a different method of calculation is used or a different assessment is placed upon any of the Units by such authorities, real estate taxes may increase or decrease, depending upon the final decision of such taxing authorities.

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Unit Owner the full benefit of the tax exemption program.

In the event the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, Sponsor may place in escrow, in the name of the Board, an amount equal to the unpaid real estate taxes which will be levied against the Units in the Condominium for the six (6) month period following the first

Closing. Thereafter, at each closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Unit. In the event the actual assessment is greater than the amount adjusted, Purchaser agrees to reimburse Sponsor after the Closing to the extent of the actual assessment. In the event the actual assessment is less than the amount adjusted, Sponsor agrees to reimburse the Purchaser after the Closing to the extent of the actual assessment.

Alternatively, Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the Unsold Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board will pay the real estate taxes from the Escrow Account when taxes are due and payable and the funder of the Escrow Account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

If prior to consummation of the Offering Plan, as evidenced by the acceptance of a post-closing amendment to the Plan, Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor will be obligated to abandon the Plan in accordance with the provisions of 13 NYCRR 20.1(1)(2) and 20.5(g).

Sponsor must declare the Plan effective within fifteen (15) months from the date of issuance of a final certificate of eligibility from the New York City Department of Housing Preservation and Development, pursuant to 28 RCNY 6-02(g)3.

Unit Owners will not be responsible for or subject to any lien arising from the non-payment of real estate taxes on any other Unit.

There are no tax certiorari proceedings currently pending for the property. The Board may act as an agent for one (1) or more Residential Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Residential Unit pursuant to Section 339-y (4) of the New York Real Property Law. In such event, the Board may retain counsel on behalf of such Residential Unit Owners and charge each Residential Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board is not obligated to perform such services and it is necessary to obtain the written authorization of the Residential Unit Owners it will perform such service for.

The Board may commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate taxes exemption or abatement, with respect to any or all of the Commercial Unit for the benefit and on behalf of the respective Unit Owners thereof; but only to the extent requested and authorized to do so in writing by the respective Commercial Unit Owners thereof and provided such Commercial Unit Owners indemnify the Board and all other Unit Owners from and against all claims, liabilities, losses, damages, costs and expenses (including, without limitation, reasonable attorneys'

fees and disbursements) (collectively, “Costs”) resulting form or incurred in connection with such proceedings.

Upon Closing of Title to the first Unit in the Condominium, Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying, for the life of the benefits. Furthermore, Sponsor will file all tax benefit applications and timely comply with all procedures required to property process and maintain the tax benefits.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or Sponsor’s counsel be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of the taxes differ from those projected.

Purchasers are encouraged to review the projected real estate taxes with counsel and/or a real estate tax professional.

XXIII. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

MORITT HOCK HAMROFF, LLP IS COUNSEL TO THE SPONSOR AND NOT TO ANY PURCHASER UNDER THE OFFERING PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE CONSEQUENCES OF THE OWNERSHIP OF A RESIDENTIAL UNIT.

The Sponsor has been advised by its counsel, Moritt Hock & Hamroff LLP, that each Residential Unit Owner will be entitled under present law to a deduction for Federal and New York State income tax purposes for the real estate taxes paid by him covering his Residential Unit, up to a maximum of $10,000 per year, inclusive of state and local taxes, and, provided the Residential Unit is used as the Residential Unit Owner's primary residence or one (l) other residence that the Residential Unit Owner selects pursuant to Section 163(h) of the Internal Revenue code of 1986 and the Tax Cuts and Jobs Act of 2017, for the interest paid by the Residential Unit Owner on any mortgage covering the Residential Unit Owner's Unit, up to a maximum loan amount of $750,000. Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. See the Opinion of Counsel in Section XXIII of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations, as it relates to income derived from Common Charges. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal

Revenue Code and as a result the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXIV of the Offering Plan.

Moritt Hock & Hamroff LLP
ATTORNEYS AT LAW

XXIV. OPINION OF COUNSEL

December 30, 2025

Stanhope Real Estate Development LLC
28-07 Jackson Avenue, 11-138
Long Island City, NY 11101

Re: Stanhope Foundry

Gentlepeople:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage up to a maximum loan amount of $750,000 in the aggregate, which becomes a lien on a Condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, up to a maximum of $10,000 per year (inclusive of state and local taxes), which are assessed against their Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New York State Income Taxes payable by the owner of such Condominium Residential Unit. Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Residential Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Residential Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B. 1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law) and the Tax Cuts and Jobs Act of 2017, such interest payments and the aforesaid real estate payments are proper deductions by the home owner of a Condominium Residential Unit, in connection with their Federal and New York State income taxes. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is either their principal residence or the one other residence they select pursuant to Section 163 (h) (5) (A) (i) (II) of the Code will be entitled, under Section 216 (a) (2) of the Code and Section 615 (a) of the State Law, and the Tax Cuts and Jobs Act of 2017, to deduct interest paid or accrued by them on any mortgage which becomes a lien on their Condominium Residential Unit, up to a maximum amount of $750,000.

The Residential Unit may be so selected if the Residential Unit Owner either uses it as a residence within the meaning of Code Section 280A (d) (1) (i.e., they use it for personal purposes for a number of days which exceed the greater of fourteen (14) days, or ten (10%) percent of the number of days during the year for which the Residential Unit is rented at a fair rental), or neither rents nor uses the Residential Unit at any time during the year.

In addition, certain Residential Unit Owners who are veterans of the United State Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Residential Unit.

In adding a new Section 528 to the Code, the Tax Reform Act of 1976 affords certain Condominiums and Associations, substantially all of whose Residential Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium or Association properties, which properties, as defined in Section 528 of the Code, include property held by the Condominium or Association, or property within the Condominium or Association. Based upon our examination of the Offering Plan and subject to the Condominium or Association, if one is formed, actually satisfying the minimum percentage income and expenditure criteria set forth above, which is likely, it is our opinion that the Condominium or Association will be eligible to be treated as a tax-exempt organization under Section 528 of the Code.

Such an election will exempt from Federal and New York State Income Taxation all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources of income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. In the event either the Condominium or the Association fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners and unrelated sources of income, not expended in any taxable year, be subject to Federal and New York State Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each Residential Unit Owner's assessment for such purposes would add to their tax basis.

Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that all expenses are designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the exceptions to title set forth in Section XIII of the Offering Plan, and we are of the opinion that none of such exceptions of title are contrary to the terms of the Purchase Agreement nor do they interfere with the quiet use or enjoyment of the Purchaser's Unit as set forth in the Offering Plan.

We have examined the Declaration and By-Laws pertaining to the proposed Condominium. It is our opinion that the Declaration and By-Laws, when recorded, will validly create a Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.

In addition, we note that the percentage of Common Interest for each Residential Unit as contained in Schedule A has been determined based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. In our opinion, this is a proper method of determining the percentage of Common Interest in a Condominium and complies with Section 339-i (1)(iv) of the Real Property Law.

In our opinion, the Condominium will be eligible for tax exempt status, if it so elects, and Residential Unit Owners will be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above Owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

Moritt Hock & Hamroff LLP
ATTORNEYS AT LAW

No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of section 528 of the Internal Revenue Code of 1986, as amended, or the New York State Tax Law, as amended, and cause the Unit Owners not to be entitled to income tax deductions (or which cause Unit

It is our understanding that this letter will be made a part of the Offering Plan of Stanhope Foundry and we consent to its inclusion therein.

Very truly yours,

MORITT HOCK & HAMROFF LLP

By: Anthony J. Ficara
Anthony J. Ficara, Partner

SJP TAX CONSULTANTS INC.
John A. Pappalardo and Stephen L. Pappalardo
149-41 14 Avenue
Whitestone, NY 11357
Tel: (718) 767.8216; Fax: (718) 357-9041

May 23, 2025

Stanhope Real Estate Development LLC
28-07 Jackson Avenue, 12-138
LIC, NY 11101

RE: The Stanhope Foundry
196 Stanhope Street, Brooklyn NY 11237 ("The Property")

To whom it may concern:

Stanhope Real Estate Development LLC (the "Sponsor") has requested that our office project the real estate tax liability of proposed units to be constructed at the Property.

We have provided over one hundred (100) real estate tax opinion letters for our clients and have experience and expertise as tax experts for over forty-five (45) years in representing developers, builders, and homeowners in all types of real estate tax matters.

We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) the potential income for the new mixed use building; (c) comparable condominium properties within the zip code of the Property that are fully operational; (d) limited common area and amenities; (e) size of the Property; (f) type of construction and; (g) building classification.

The New York City Department of Finance assesses the values of all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value on or about January 15th of every year and final assessment every May, prior to the beginning of each tax year, which commences July 1st.

The sponsor has represented to us that the 1st year of operation of the Condominium will commence on or about January 1, 2026.

Therefore, the calculations of the real estate taxes for the first year of operation comprise of tax year 2025/2026 and 2026/2027.

In rendering this opinion, we have relied upon the following facts and information that you have provided to us:

- The subject property is located at 196 Stanhope Street, Brooklyn, and is known as Block: 3268, Lot: 32, with the NYC Department of Finance ("DOF");
- The proposed mixed-use condominium building was constructed on an existing 2 family lot;
- There will be separate condominium tax lots filed with DOF for each residential and commercial unit.

- The DOF Surveyor's Office shall class the residential units as a tax class (2) and thus levy the assessed value on a 45% rate of the market value and class the commercial units as tax class (4) and thus also levy the assessed value on a 45% rate of the market value.

Tax Class 2 CAP
The Residential Units will be classified as tax class 2 properties when individually assessed. Tax class 2 properties are residential property with more than 3 units including cooperatives and condominiums. A projected Property Tax Rate of 12.500% was used for 2025/2026.

The Department of Finance (DOF) has assessed the property as a Class 2 designation, indicating a ten-unit residential building without stores. While the classification is correct, the building class is inaccurate, as the property does, in fact, include a store (also known as a commercial space). If the DOF updates the building classification before the Final Assessment Roll is posted, the projected real estate taxes shown below may be lower than the actual amount.

Tax Class 4 CAP
The Commercial Unit will be classified as tax class 4 properties when individually assessed. Tax class 4 properties include all commercial or industrial property, such as office, retail or factory buildings including Parking Units. A projected Property Tax Rate of 10.762% was used for the 2025/2026 period.

Based on the 2025-2026 Tentative Assessment Roll from the NYC, Department of Finance, the Assessed Valuation will be: 119,337 AV
Projected Tax Class 2 Rate = 12.500%
Projected Annual R.E. Tax = $14,917

Based on a 2026-2027 Projection:
Assessed Valuation: 870,625
Projected Tax Class 2 Rate = 12.500%
Projected Annual R.E. Tax = $108,828

Blended Taxes for First Year of Condo Operation:
The first year of condominium operation is anticipated to commence on January 1, 2026. Therefore, there will be a blended taxes for the first year of Condo Operation.

Estimated Full Tax Liability 2025/26 and 2026/27 Tax Years:

Tax Year	No. of Taxable Months	Assessed Value	Tax Rate	Total
2025/2026	7	69,613	12.500%	$8,702
2026/2027	5	362,760	12.500%	$45,345
Total	**12**	**432,374**		**$54,047**

See Attachment A for a breakdown of the real estate taxes allocated among the Units. In determining the assessed values for the individual units, the DOF may use the common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined.

ICAP (Industrial Commercial Abatement Program):
The ICAP abatement would apply to the Commercial Unit only. Sponsor confirms that a Preliminary Application was filed, and a filing receipt has been issued by the NYC Department of Finance.

The ICAP abatement, which applies to the Commercial Unit only and when separately assessed, will consist of a benefit period of 25 years for commercial construction work inside a special area where less than 10% of building or structure is used for retail purposes. If the Commercial Unit is designated as retail usage, the benefit period may be reduced to 15 years. Implementation of the tax abatement under the ICAP program is not available until the earlier of: (a) January 5th of a tax year following completion of construction or (b) four years from the date of issuance of the first building permit. Sponsor anticipates a completion of construction date prior to January 5, 2026, therefore ICAP benefit implementation would commence for the 2026/2027 tax period.

When individual assessed it is estimated that the Commercial Unit without the ICAP benefit will be as follows:
Commercial Unit (C1):
Assessed Valuation ("AV"): 271,360
Annual tax: $33,920

With ICAP Benefits will be as follows:
Commercial Unit (C1):
Assessed Valuation ("AV"): 271,360
Annual tax: $33,920 - $26,259= $7,661

This Commercial Unit would be eligible for a fifteen (25) year ICAP, partial real estate tax abatement, broken down as follows:
Following completion of work:

Year:	Abatement
1-21	**100%**
22	**80%**
23	**60%**
24	**40%**
25	**20%**

Said projection does not include real estate tax projections for any parking, bike units and/or storage units that may be separately assessed by Sponsor, if any.

Our estimates do not include (1) added value factors for location premiums or optional extras for which the taxes could increase to the extent of such premiums or extras and (2) any exemptions/abatements other than the basic STAR that might be granted to individual unit owners such as enhanced STAR, veterans, senior citizen, 421-a 16, etc.

We consent to the inclusion of this letter in any Offering Plan with respect to the Property.

Please be advised that although the estimate of the assessed valuation upon completion of construction is a good faith estimate, such assessed valuation, when made, may be less or greater than as estimated provided in this opinion letter.

No warranty is or can be made that New York City Department of Finance, or any other agency with jurisdiction, will approve Sponsor's Application for ICAP Abatement Benefits. The writer of this tax opinion shall not be held liable if, because of change of laws and/or regulations, or if the facts as represented by

Sponsor prove incorrect, the Property fails to obtain in whole or in part ICAP abatement benefits. Should tax abatement be denied, in whole or in part, then owner of the Property and following submission of the Property to the New York Condominium Act, the owner of the unit will be responsible for all taxes due and owing from the date of commencement of construction.

We have represented real estate developers, builders, charitable organizations, and homeowners for over 45 years in numerous tax exemption matters with the NYC Department of Housing and Preservation and Development and NYC, Department of Finance. We have written over fifty (50) real estate tax opinion letters that have been submitted to the Department of Law as exhibits to the plan. We specialize in obtaining §421-a and ICIP/ICAP tax exemptions for our clients.

Respectfully,

Stephen L. Pappalardo
May 23, 2025

EXHIBIT A
PROJECTED REAL ESTATE TAXES BY UNIT NUMBER

	Unit Number	Annual R.E. Tax Upon 1st Year of Operation	Monthly R.E. Tax Upon 1st Year of Operation
Commercial Unit	C1	$13,511.68	$1,125.97
	Sub-Total	$13,511.68	$1,125.97
Residential Units	2A	$4,530.11	$377.51
	2B	$4,290.74	$357.56
	3A	$4,530.11	$377.51
	3B	$3,080.69	$256.72
	3C	$3,759.68	$313.31
	4A	$4,530.11	$377.51
	4B	$3,080.69	$256.72
	4C	$3,759.68	$313.31
	5A	$3,907.71	$325.64
	5B	$5,065.50	$422.13
	Sub-Total	$40,535.03	$3,377.92
	Total	$54,046.71	$4,503.89

XXV. RESERVE FUND

The Condominium budget includes an annual Reserve Fund in the amount as reflected in Schedule B. Such sum will be deposited into a separate reserve fund account. Prospective Purchasers should refer to Schedule B for a more detailed explanation of the Reserve Fund.

No representation is made that Reserve Fund line item will be adequate for future expenses including repairs or replacements of Common Elements during the first five (5) years of the Condominium. If additional funds are required over and above said funds, it may be necessary to increase the Common Charges payable by the Unit Owners, collect a Special Assessment from each Unit Owner or borrow money.

During the period Sponsor is in control of the Board of Managers, the Reserve Fund line items will not be used to reduce the estimated Common Charges.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the Reserve Fund line item.

XXVI. WORKING CAPITAL FUND

At each Closing of a Unit, the Sponsor will collect an amount equal to two (2) months Common Charges from each Purchaser to be paid to the Board as initial working capital. While Sponsor is in control of the Board, the working capital funds will not be used to reduce the Common Charges. The working capital fund may be utilized to reimburse Sponsor for prepaid expenses of the Condominium. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B. If any portion of the working capital fund is used during this period to pay for prepaid expenses, such amounts will be repaid to such fund out of future Common Charges collected. At such time as the Sponsor relinquishes control of the Board, the working capital fund will be turned over to the Board.

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

XXVII. MANAGEMENT SERVICES, CONTRACTS AND LEASES

At or prior to the First Closing, the Condominium will enter into a management agreement with FiDy Management Inc., having its office at 227 Sea Breeze Avenue, Unit C-404, New York 11224 (hereinafter "Managing Agent") for the sum of $9,600.00 annually ($800.00 per month) for the term of one (1) year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice. The Managing Agent will have normal management responsibility, subject to the directives of the Board of Managers, including engaging personnel; performing bookkeeping services; involvement in collection of assessments; review of contracts to be entered into on behalf of the Condominium (subject to approval of the Board of Managers); causing maintenance and repair of the Property, but, unless provided for in the budget for the Condominium, the Manager shall not obligate the Condominium for any single item of repair, replacement, refurnishing or refurbishing in excess of $5,000 without the prior approval of the Board of Managers; maintaining the books and records of the Condominium; assistance in the preparation of annual budgets; attendance at monthly meetings of the Board of Managers; maintenance of bank accounts for the deposit of funds collected from Residential Owners; routine visual inspections of the property and presentation of recommendations to the Board of Managers. The Managing Agent may charge additional fees for matters beyond the scope of the Agreement, such as with respect to extraordinary or repeated requests for inspection of the Condominium records and the like. The Board shall be obligated to reimburse the Managing Agent for expenses it incurs and it shall indemnify the agent against liability for acts properly performed by it pursuant to the Management Agreement. An assignment of the Management Agreement by the Managing Agent, would need to be agreed upon by the Board of Managers or, in the alternative, the Management Agreement could be cancelled. The rate indicated for management services is substantially similar to prevailing costs for similar services. Principals of the Sponsor are not Principals of and/or affiliated with Managing Agent. The Sponsor has not entered into an agreement at this time with Managing Agent.

XXVIII. IDENTITY OF PARTIES

Sponsor

The Sponsor is Stanhope Real Estate Development LLC, a New York limited liability company, with an address of 28-07 Jackson Avenue, Suite 11-138, Long Island City, New York 11101. The company was formed on August 29, 2023. The principals of the Sponsor are Stanhope Development LLC By: Guan Shawn Wang and Haoji Yu, and 198 Stanhope LLC By: Benjamin Yam. Guan Shawn Wang, Haoji Yu, and Benjamin Yam are all principals of the Sponsor.

Guan Shawn Wang ("Guan") and Haoji Yu ("Haoji") are the founders of Stonehill Construction Service Inc, a New York City licensed General Contractor, and Stonehill Development LLC ("Stonehill"), a real estate development company. Stonehill has been in the construction and development business since 2019. Notable projects include: 35-15 146th St in Flushing, a 36-units rental project; 83-05 116th St in Kew Gardens, a 115-units rental project; 36-21 Prince St, 12-stories luxury condo apartments in Flushing and many other projects.

Before founding Stonehill, Guan worked for JP Morgan Chase as financial advisor and Guan is also a licensed NYS real estate salesperson. Haoji has over 10 years' experience as a construction project manager with development Efin Management Corp.

Benjamin Yam has over 10 years' experience as a real estate investor, focusing on renovating projects and project alteration.

The Sponsor and Principals of the Sponsor are current in its financial obligations, including, but not limited to, payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments, payments for repairs and improvements promised in the Plan, and payments of underlying mortgages and loans for which shares or Units have been pledged or mortgaged with respect to the above referenced Plans.

All members of the Sponsor have experience in selling real estate including, but not limited to the Condominiums stated herein above.

The Sponsor has not been involved in any prior public offerings in the past five (5) years nor does it own ten (10%) percent or more of any unsold units in any other condominium, home owners' association or cooperative in the State of New York.

Neither the Sponsor, nor the Principals of the Sponsor or any other individual who owns or controls ten (10%) percent or more equity interest in the Sponsor, have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

Neither the Sponsor nor the Principals of the Sponsor have any prior bankruptcies, convictions, injunctions or judgments against Sponsor, or its principals, and/or entities in which the principals of Sponsor was a principal, that may be material to the Offering Plan

or to an offering of securities generally and that occurred within the 15 years prior to the submission of the proposed Offering Plan.

Selling Agent

Compass, with an address at 90 Fifth Avenue, 3rd Floor, New York, New York 10011. The Selling Agent is a licensed real estate broker in the State of New York and is experienced in the sale of condominium units. Principals of the Selling Agent are not affiliated with principals of the Sponsor.

Managing Agent

The Managing Agent is FiDy Management Inc., having its office 227 Sea Breeze Avenue, Unit C-404, New York 11224, (hereinafter "Managing Agent") to manage the Condominium for an initial term of one (1) year at an annual fee of $9,600. Managing Agent has been managing condominiums, cooperatives and rental apartments in the New York Metro area, for [over ten years]. Principals of the Sponsor are not affiliated with Managing Agent.

There are no (i) prior felony convictions of Managing Agent, or any principals of Managing Agent; and no (ii) prior convictions, injunctions and judgments against Managing Agent, or any principals of Managing Agent that may be material to the Offering Plan or an offering of securities generally, that occurred within 15 years prior to the submission of the proposed Offering Plan. There is no relationship between the Sponsor or its Principals and the Managing Agent.

Attorneys

Moritt Hock & Hamroff LLP, 1407 Broadway, 39th Floor, New York, New York 10018, counsel to the Sponsor, have been selected by the Sponsor to represent the Condominium in connection with all legal matter's incident to the operation and management of the Condominium. No legal fee will be charged for such representation except for work actually performed after the formation of the Condominium. The Condominium can, at any time, choose to select different attorneys to represent it.

All legal matters in connection with the establishment of the Condominium, the tax opinion of counsel contained herein and the preparation of this Offering Plan have been passed upon for the Sponsor by Moritt Hock & Hamroff LLP. The individual attorney in said firm responsible for said work is Anthony J. Ficara, Esq.

Moritt Hock & Hamroff LLP will also represent the Sponsor in connection with the individual Unit closings and will also act as the Escrow Agent as described in Section X of the Offering Plan.

Moritt Hock & Hamroff LLP has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for fees for services rendered in connection with the Condominium.

Insurance

The estimated insurance rates have been passed upon by Oakmont Insurance Services LLC, 30-50 Whitestone Expressway, Suite 302, Flushing, NY 11354.

Engineer

The Engineer who prepared the report in Part II and who executed the Certification in Part II is De Zhang Fang, R.A, Fang Architect, 35-18 Linden Place 2F, Flushing, NY 11355The Engineer has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium. The architect has had prior experience in the preparation of plans and specifications for other condominiums and home owner associations in the Metro area.

XXIX. REPORTS TO UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year.

(ii) prior notice of the annual Unit Owners' meeting; and

(iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

During the period Sponsor retains control of the Board of Managers of the Condominium, the Sponsor shall be required to provide certified financial statements for the Condominium. The cost of such reports shall be a Condominium expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor.

XXX. DOCUMENTS ON FILE

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

XXXI. GENERAL

Pending Litigation

As of the date of this Offering Plan, there is no litigation or administrative proceedings pending against the Condominium or the Sponsor or any other party which would affect their ability to perform their obligations relating to this offering, or which would in any way affect this Offering.

Prior Offerings

This Property has not been the subject of any prior public offerings. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Residential Units being offered for sale in the Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Residential Units, prior to submission of the Plan to the Department of Law. The property forming the Condominium is vacant land and therefore, there are no residential or Commercial tenants occupying the premises.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, disability, marital status, national origin or ancestry or any other grounds prohibited by law in the sale of Residential Units under this Plan.

Amendment of Plan

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

XXXII. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan.

Date of Offering Plan: , 2025
New York, New York

Stanhope Real Estate Development LLC
Sponsor

O F F E R I N G S T A T E M E N T

Stanhope Foundry

196 Stanhope Street
Brooklyn, New York 11237

PART II

RESIDENTIAL PURCHASE AGREEMENT

Residential Unit No.: _____ **Date:** _____

Anticipated Closing Date: _____, 202__

Seller: STANHOPE REAL ESTATE DEVELOPMENT LLC

Address: 28-07 Jackson Avenue, Suite 11-138
Long Island City, New York 11101

Purchaser(s): _____

Home Address: _____

Telephone Number: _____

Social Security Number(s): _____

Purchaser's Attorney: _____

Attorney's Address: _____

Attorney's Phone/Email: _____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE:**

Residential Unit		$
Builder upgrades & options ("Extras")		$
	TOTAL $	

PAYABLE AS FOLLOWS:

On the signing of this Purchase Agreement, 10% of the Purchase Price plus Extras, the receipt whereof is hereby acknowledged (the "Deposit")	$	
Purchaser's certified or bank cashier's check (drawn on a New York Bank payable directly to the order of Seller or Seller 's designee on the Closing of Title)		$
	TOTAL	**$**

Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to the payee on the dishonored check within seventy-two (72) hours after demand for replacement therefore.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies. Purchaser may wire the down payment.

THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE AT SELLER'S ELECTION, BY WIRE OR BY PURCHASER'S PERSONAL CERTIFIED CHECK/OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

2) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the Condominium unit(s) known as Residential Unit No. _____ (the "Residential Unit"), with a ____% undivided interest in the common elements of the Condominium (the "Common Elements") known as Stanhope Foundry (the "Condominium"), located at 196 Stanhope Street, Brooklyn, New York 11237, and as described in the Declaration of Condominium to be recorded in the New York City Register's Office, Kings County, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the New York City Register's Office, Kings County. The Residential Unit shall hereinafter be referred to as the "Unit". The Unit shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the City of New York.

The Unit may vary from any models displayed to Purchaser, and Purchaser should not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Unit shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and

window treatments, built-ins, burglar alarm systems, site lighting, special landscaping installed at any model units, washer/dryer, central vacuum systems, patios, decks, high-hat lighting, additional fixtures and switches added for decorative purposes, pull down staircases and skylights and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. Purchaser acknowledges that the above features, as contained in any model unit and/or sales office are for display purposes only and are not included in this sale unless specifically provided for in this Purchase Agreement.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

3) **OFFERING PLAN** - Seller has exhibited and delivered to the Purchaser, and Purchaser acknowledges having received, read and understood, the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. However, a material change would require Purchaser's consent or could entitle Purchaser to rescission. Purchaser would be afforded a fifteen (15) day period after the presentation of the right to rescind.

Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

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

4) **GOVERNMENTAL REQUIREMENTS** – If after the date of this Purchase Agreement any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Unit and shall be payable by Purchaser to Seller at Closing (defined below), provided, however, that if the amount of such additional cost exceeds $1,000, then Purchaser may cancel this Purchase Agreement and receive a full refund of all payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability of obligation to the other in connection with this Purchase Agreement or transaction.

However, such right to cancel this Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

5) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in effect and Purchaser shall have an ongoing obligation to consummate the transaction. If a Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 22 herein. Purchaser further understands and agrees that if he or she chooses to finance the 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 his financial status or condition shall release or relieve him of his obligations pursuant to this Purchase Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the closing beyond the expiration of the loan commitment.

6) **CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER** - The act of transferring ownership of the Unit in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of the Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or advance such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 30 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may waive the thirty (30) day notice period by execution and delivery of a waiver in the form set forth as Schedule D-3 to the Purchase Agreement in the Plan.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn the date and time for Closing on written notice to Purchaser. In such event, Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of $250. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with Seller's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee in the sum of $500.

In the event that the closing of title to the first Residential Unit in the Condominium has not occurred within twelve (12) months of the anticipated date of first closing set forth in the Offering Plan, as same may be amended, Purchasers will be afforded a right of rescission.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of this Purchase Agreement, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later than ten (10) days after expiration of such twelve (12) month period whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XII of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the Purchase Price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than ten (10) days after the twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement.

7) **ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, Purchaser shall at Closing pay, or reimburse to Seller if Seller has already made payment, or pay to any Lender, all applicable charges for:

(a) Any Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;
(b) any mortgage recording taxes on Purchaser's mortgage;
(c) governmental charges which may be assessed on account of any mortgage loan;
(d) mortgage insurance, if required, on Purchaser's mortgage;
(e) New York State real estate transfer tax on the deed;
(f) New York City real estate transfer tax on the deed;
(g) Mansion Tax pursuant to Section 1402-a of the Tax Law of the State of New York, if applicable;
(h) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation any mortgage, the deed, power of attorney, affidavit required pursuant to Section 339-ee of the New York State Real Property Law and any blanket mortgage release documents;
(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;

(j) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges, payable to the Condominium;
(k) a pro-rata portion of the Condominium's estimated first year insurance, based on the Unit's percentage of Common Interest; and
(l) $2,500 to Seller's attorney for the preparation of the closing documents.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, condominium Common Charges, sewer use, water use, fuel oil (if any) and any other utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, condominium Common Charges, sewer use and insurance premiums (if applicable). In addition, in the event Seller's attorney prepares the New York City "ACRIS" transfer documents, Purchaser shall be required to pay Seller's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company. If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in Seller's Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned closing date (as the case may be).

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

Any errors or omissions in computing apportionments or any other sums payable under this Paragraph which are communicated to the other party within six (6) months after Closing shall be corrected and payment made to the proper party promptly after such communication. This Paragraph shall survive Closing and delivery of the deed.

8) **CONSTRUCTION LOAN MORTGAGE** - If necessary to obtain a mortgage tax credit, Purchaser shall use its best efforts to request that its lender (i) accepts an assignment of the existing mortgage(s) encumbering the Property, as severed, to encumber only the Home and its appurtenant percentage of Common Interest in the Common Elements, and (ii) cooperates with Seller and its existing lender, as necessary to effectuate such assignment. At Closing, Purchaser shall execute the affidavit required pursuant to Section 255 of the New York State Tax Law. It is agreed and understood that Seller shall receive as a credit from Purchaser at Closing, a sum equal to the full mortgage tax credit which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller on the amount of Purchaser's mortgage. The foregoing credit shall be paid by Purchaser regardless of whether Purchaser's lender accepts the assignment of the Seller's existing mortgage as severed. All terms and provisions of this Purchase Agreement and all payments made hereunder

are and shall be subject and subordinate to the lien of any acquisition, improvement, interim or building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, to the full extent thereof without the execution of any further documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the loan schedule of payments or accelerated thereunder by virtue of the lenders right to make advances before they become due in accordance with the schedule of payments. Seller shall satisfy all such mortgages or obtain a release of the Unit and its appurtenant percentage of Common Interest in the Common Elements (as such term is defined in the Plan) from the liens of such mortgages at or prior to Closing, unless Purchaser shall be required to take title subject to the existing mortgage, as severed and converted to Purchaser's individual mortgage on the Unit.

9) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement as Liberty Land Abstract, Inc. ("Liberty") a title company authorized to do business in the State of New York, 42-40 Bell Boulevard, Bayside, NY 11361 Phone: (718-281-0505), is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all, however Seller recommends that Purchaser utilize "Liberty". In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against the title insurance company which insured Purchaser's title to the Unit before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss of damage not covered by such title insurance company. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would have been covered by the title insurance that was available to Purchaser at the time of closing of title.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance, and shall also pay the applicable New York State and City transfer tax and mansion tax, if applicable.

The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Unit for their intended purposes.

(d) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.

(e) The filed Condominium Map and all matters reflected thereon.

(f) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

Purchaser shall deliver to Seller's attorney at least ten (10) days prior to Closing, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Property are being sold), and a copy of Purchaser's title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement. However, if such defect in title existed at least ten (10) days prior to the closing of title and Purchaser failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing of title, 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 at the request of Purchaser.

10) **PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Unit which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 9 herein, if applicable.

11) **POWER OF ATTORNEY** - At closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth as Schedule E, as same may be amended from time to time to comply with applicable law, to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of Units in the Condominium under certain circumstances and

to foreclose upon Units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. In the event the form Power of Attorney set forth in the Plan is deemed to be insufficient, in Seller's sole discretion, due to statutory changes to the New York State short form power of attorney, Purchaser shall execute an amended power of attorney to effectuate the powers granted in the Power of Attorney set forth in the Plan. This paragraph shall survive delivery of the deed.

12) **ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an objection to title provided Royal Abstract, or another title or abstract company selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit upon Seller's doing whatever acts as may be required by said company and/or the depositing of money. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Unit, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

13) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right, in the event of Seller's failure to perform such extra work or supply and install such extra items, is to receive a refund or credit at Closing equal to the total payments made to Seller for such extra work or extra items. All extras must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders upgraded or optional items or finishes other than the standard provided by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 22 herein. As noted as a Special Risk in the Plan, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid for extras. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

14) **OPTIONS AND COLOR SELECTIONS** - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser

shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

15) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property or Building (the "Construction Site") present a dangerous circumstance and could incur liability to Seller. **Unless specifically agreed to by Seller in writing, Purchaser shall not visit the Unit or any other portion of the Construction Site, and shall only have the right to visit the Seller's sales office (the "Sales Office"). Any unauthorized visits to the Construction Site by Purchaser are subject to a charge by Seller of $500 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof.** Purchaser hereby releases and indemnifies, defends and holds Seller harmless for all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Property prior to Closing. Purchaser further agrees to execute the Express Assumption of Risk Form, in the form set forth as Schedule D-3 to the Plan.

16) **PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to construct the Unit or other unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of the Unit or any other units, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on the Unit prior to Closing, unless otherwise agreed to in writing by Seller.

17) **PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING** - Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

Purchaser acknowledges and agrees that Seller will accept no liability whatsoever for any property belonging to the Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Unit prior to Closing. No act of the Seller, whatever its nature, shall constitute a waiver of this Paragraph.

18) **CHANGES BY SELLER -** In building the Unit and performing any other work on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model units or building plans, provided any such changes or substitutions are of Equal or Better Quality; (b) determine the exterior color and design of the Building; (c) change the location and type of the Units to be constructed in the Condominium; (d) fix the location and setbacks of the Building; (e) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (f) add or remove retaining walls on the Property where required by grade conditions; (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; (h) change appliances as long as

they are equal to or better than originally offered; (i) change the location of kitchen and bathroom cabinets, counters and drawers; (j) make changes to the Unit, which result in variations of up to five (5%) percent of the Unit square footage listed in Schedule A to the Offering Plan; and (k) make any other changes required by the City of New York. Any material change to the location and type of Unit will require consent of Purchaser.

Seller shall notify Purchaser of any major changes, specifications, deviations, additions or deletions, which are beyond the scope of those set forth above ("Extraordinary Changes"). If Seller notifies Purchaser in writing of any Extraordinary Changes, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval thereof within ten (10) days from date of the notice by Seller. Upon receipt of Purchaser's disapproval, Seller may, within thirty (30) days thereafter, give Purchaser written notice withdrawing its proposed Extraordinary Changes, in which case Seller shall thereafter continue with its development activities without the Extraordinary Changes. If Seller fails to give Purchaser notice of withdrawal within such thirty (30) day period, Purchaser may declare this Purchase Agreement null and void by so notifying Seller in writing delivered to Seller no later than forty-five (45) days after having delivered Seller the original notice of disapproval, whereupon Seller shall promptly return to Purchaser all monies paid by Purchaser to Seller, except Funds used towards upgrades, options or extras, on account of the purchase price and thereafter neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

19) **COMPLETION OF CONSTRUCTION; PURCHASER'S INSPECTION** - Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the building in which it is located, or (b) other units in the Condominium, or (c) the landscaped areas of the Property, or (d) parking spaces or driveway or garage, or (e) other portions of the Common Areas have not been completed. Purchaser will inspect the Unit with a representative of the Seller during normal business hours approximately three (3) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Unit. Receipt of the executed Pre-Title Inspection Statement shall be a condition precedent to closing. Purchaser agrees to accept the Pre-Title Inspection Statement wherein the Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Unit and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

20) **CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located) and, if available, a New York Board of Fire Underwriter's Certificate for the Unit.

21) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be living in an active construction site after Closing on the Unit. During the period of construction, there may be dirt and debris and construction material on the Property, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences, which are normal in a community undergoing construction. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

22) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

The notice of default shall be deemed notice to the Purchaser by the Escrow Agent of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the dispute resolution provisions of the Attorney General's escrow regulations as described in Section X of the Offering Plan.

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

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

23) **SELLER'S RIGHT TO CANCEL** - Seller may cancel this Purchase Agreement by forwarding a full refund of the Deposit to Purchaser together with written notice of cancellation in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Unit; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) should zoning and/or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, create or impose requirements upon the Seller which are not presently contemplated; or

(e) the Plan is abandoned, withdrawn or not consummated for any reason.

Upon such cancellation and refund, this Purchase Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Offering Plan.

24) **INABILITY OF SELLER TO TRANSFER OWNERSHIP** - Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of the down payment. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition, which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement.

25) **PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the office of any county clerk or the A New York County Register's Office by Purchaser or anyone on Purchaser's behalf. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all

rights of the Purchaser shall cease and terminate and Seller shall have the right to retain the Deposit and all amounts paid by Purchaser for Extras, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 22 hereunder.

26) **PROHIBITION AGAINST SIGNS ON UNIT** - Purchaser shall not place an advertisement for the sale of a Unit in any newspaper or other publication or media, or list a Unit with any real estate broker prior to Closing. Such action will constitute a material breach of the Purchase Agreement entitling Sponsor to retain monies paid on account of the Purchase Agreement plus the cost of extras as liquidated damages.

27) **PROHIBITION AGAINST ADVERTISING OF UNIT FOR SALE** - From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker prior to Closing. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

28) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Compass, 90 Fifth Avenue, 3rd Floor, New York, New York 10011 (the "Broker"), brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker). Purchaser shall be responsible for all costs and commissions associated therewith, and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

29) **TRUST FUNDS** - The law firm of Moritt Hock & Hamroff LLP, with an address at 1407 Broadway, 39th Floor, New York, New York 10018, telephone number (212) 239-2000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following MHH Partners to serve as signatories: Anthony J. Ficara, Ted A. Berkowitz, Gary C. Hisiger and Michael Cardello III.

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.

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 Deposit from escrow.

The Escrow Agent has established the escrow account at Metropolitan Commercial Bank, at their branch located at 1359 Broadway, New York, NY, Telephone:

(212) 643-6981 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account" ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received from Purchaser shall be in the form of [checks, money orders, wire transfers, or other instruments], and shall be made payable to or endorsed by the Purchaser to the order of Moritt Hock & Hamroff LLP, as Escrow Agent.

The Escrow Account is an IOLA account and no interest will be paid to Purchaser. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement shall only be deemed accepted when countersigned by the Seller or Seller's authorized agent. **In addition, although all funds received by Seller for Extras will initially be placed in the Escrow Account; such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. In the event Purchaser is entitled to a right of rescission, the return of their Deposit shall <u>not</u> include any funds paid, and expended by Seller, towards Extras.** At Closing the Deposit shall be paid to Seller upon consummation of the Closing and execution of this Purchase Agreement shall be deemed a writing executed by both Seller and Purchaser authorizing the Escrow Agent to release said funds to Seller at Closing. Purchaser shall execute the Tender of Escrow form, as set forth in Schedule D-5 of the Plan upon execution of this Purchase Agreement; and shall execute the Release form, as set forth in Schedule D-2 of the Plan, at Closing.

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

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005. Rescission shall not be afforded where

proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 29 upon closing of title to the Unit; or

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

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

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

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

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

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

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

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

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

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).

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

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.

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

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

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 to itself.

30) **NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, **or** to their respective attorneys via email. Such notice, statement, certificate, request or demand shall be deemed to have been given:

(a) when delivered to an overnight courier service, if sent by overnight courier,

(b) upon personal delivery actually being made,

(c) when delivered by email, upon confirmation from the receiving party, and if confirmation is not provided the sending party shall deliver such notice to the receiving party via overnight courier to be sent the following business day and the effective date of notice shall be the date the email was originally sent, and

(d) upon receipt or first refusal of delivery or inability of delivery after delivery to the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested.

Notwithstanding the foregoing, any notice of default must be delivered only by overnight courier service, personal delivery, or certified mail return receipt requested.

31) **PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates, written or oral, of any nature whatsoever, made by Sponsor, or otherwise, including but not limited to, any of the above relating to the description or physical condition of a Condominium building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for 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, the potential for future profit with respect to the Unit, any future appreciation in value of the Property, the Condominium building or the Unit, any rental income potential, depreciation or investment potential with respect to the Property, the Condominium building or the Unit, any monetary or financial advantage with respect to the Property, the Condominium building or the Unit, or any other data, the environmental and/or flood plan conditions affecting the Condominium building, the availability of liability, casualty and flood insurance or the cost thereof, the costs of ongoing maintenance and repair of the Condominium building or any other matter or estimate not set forth herein and in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by the Broker or any other agent of Seller. No person has been authorized to make any representation on behalf of Sponsor except as herein

or in the plans specifically set forth. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser has relied solely on his own judgment and investigation in deciding to enter into this Purchase Agreement and purchase of the Unit. No oral representations or statements shall be considered a part of this Purchase Agreement, and any current or prior oral statements are void and have no effect. 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 the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit or any part thereof, or of the Common Elements, and (2) any immaterial accuracy or error. A decrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

32) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and this Purchase Agreement, including but not limited to, the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller's Authorized Agent. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

33) **RISK OF LOSS** - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the

Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Deposit paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

34) **DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

35) **STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase

Agreement, shall be instituted in a court in New York County and all motions in any such action shall be made in New York County.

This Paragraph shall survive Closing and delivery of the Deed.

36) **LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Unit, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

37) **MISCELLANEOUS:**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

(d) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery of the deed.

(e) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(f) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(g) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(h) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

(i) The provisions of this Purchase Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors and assigns.

(j) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(k) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(l) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(m) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with the laws of the State of New York.

38) LIMITED WARRANTY - THE LIMITED WARRANTY SET FORTH IN SCHEDULE D-1 OF THE OFFERING PLAN AND INCORPORATED HEREIN BY REFERENCE (THE "LIMITED WARRANTY") IS IN PLACE OF AND EXCLUDES THE HOUSING MERCHANT IMPLIED WARRANTY, AS DEFINED IN ARTICLE 36-B OF THE NEW YORK GENERAL BUSINESS LAW, AS SAME MAY BE AMENDED FROM TIME TO TIME, AND ALSO EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH THIS PURCHASE AGREEMENT AND THE CONSTRUCTION AND SALE OF THE HOUSE. SELLER MAKES NO HOUSING MERCHANT IMPLIED WARRANTY AND, EXCEPT AS EXPRESSLY SET FORTH IN THE LIMITED WARRANTY, SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THIS PURCHASE AGREEMENT AND THE CONSTRUCTION AND SALE OF THE HOUSE, WHICH EXTEND BEYOND THE FACT THEREOF.

PRIOR TO THE EXECUTION OF THIS PURCHASE AGREEMENT BYPURCHASER, PURCHASER ACKNOWLEDGES THAT SELLER HAS SUPPLIED TOPURCHASER FOR EXAMINATION AND PURCHASER HAS RECEIVED, READ AND UNDERSTOOD A WRITTEN COPY OF THE EXPRESS TERMS OF THE LIMITEDWARRANTY.

THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE CLOSING OF TITLE AND DELIVERY OF THE DEED.

39) **SMOKING POLICY** – In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Sponsor has adopted the following smoking policy (the "Smoking Policy") for the Building.

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways, and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PROHIBITED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of

Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

This Smoking Policy shall become effective immediately. The Board will advise Unit Owners of any changes to the Smoking Policy.

40) **NOTICES TO PURCHASER - WHEN SIGNED BY SELLER AND PURCHASER (OR PURCHASER'S AUTHORIZED AGENT), THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD MAKE SURE THAT ALL PROVISIONS ARE READ AND UNDERSTOOD BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.**

PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE OFFERING PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.

41) **COUNTERPARTS:** This Purchase Agreements and all riders and ancillary documents may be executed in one or more counterparts and by electronic and/or facsimile signature, each of which shall be deemed an original and, collectively, shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

PURCHASERS:

_____

SELLER

STANHOPE REAL ESTATE DEVLOPMENT LLC
By: Stanhope Development LLC

By:_____

ESCROW AGENT
MORITT HOCK & HAMROFF LLP

By:_____

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____ at Stanhope Foundry located at 196 Stanhope Street, Brooklyn, New York 11237.

Purchaser named below has tendered on _____, 20__, the above escrow deposit to Sponsor as a deposit for the above Unit.

Purchaser: _____

Home Address: _____

Phone number of Purchaser: _____

Social Security Number/EIN of Purchaser: _____

Purchaser's Signature

_____

RECEIPT

The SPONSOR of the above-named property hereby acknowledges receipt of the above escrow deposit.

STANHOPE REAL ESTATE DEVLOPMENT LLC
By: Stanhope Development LLC

By:_____

Date of Receipt: _____

RIDER TO PURCHASE AGREEMENT DATE, 20__ BY AND BETWEEN STANHOPE REAL ESTATE DEVELOPMENT LLC, AS SELLER, AND _____, AS PURCHASER.

LIMITED WARRANTY

NAME OF PURCHASER(S):	_____
ADDRESS OF PURCHASER(S):	_____
	_____
DESIGNATION OF RESIDENTIAL UNIT WARRANTED:	_____
NAME OF SELLER:	Stanhope Real Estate Development LLC
ADDRESS OF SELLER:	28-07 Jackson Avenue, Suite 11-138 Long Island City, New York 11101
EFFECTIVE DATE OF THIS LIMITED WARRANTY:	The date that Purchaser or its family shall first occupy the Residential Unit warranted or the date of delivery of the deed to such Residential Unit to Purchaser, whichever occurs first.
SELLER'S LIMIT OF TOTAL LIABILITY:	In no event shall the Seller's total liability to Purchaser under this Limited Warranty exceed fifty thousand ($50,000) dollars, less any insurance proceeds received by Purchaser (the "Maximum Liability of Seller").

THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, AND INDIRECT DAMAGES.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE RESIDENTIAL UNIT AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE RESIDENTIAL UNIT.

1. To Whom Given. This Limited Warranty is given to the Purchaser named on page l while the Purchaser owns the Residential Unit. IT DOES NOT EXTEND TO SUBSEQUENT OWNERS, HEIRS, TENANTS OR MORTGAGEES IN POSSESSION OF THE RESIDENTIAL UNIT, ANY ONE WHO MAY SUCCEED TO THE RIGHTS OF PURCHASER OR ANY OTHER PERSONS.

2. By Whom Made. This Limited Warranty is made exclusively by the Seller whose name and address appear on page 1.

3. Final Inspection of the Residential Unit. Before the Purchaser moves into the Residential Unit or accepts the deed, the Seller will schedule an appointment for final inspection of the Residential Unit with the Purchaser. The purpose of this final inspection is to discover any defects of a visible, obvious or patent nature, or any other unfinished work.

All defects found on final inspection of the Residential Unit will be itemized on a Final Inspection Sheet, which will be signed by the Purchaser and the Seller before occupancy of the Residential Unit or delivery of the deed.

4. Warranty Coverages and Periods. The Warranty Period for all of the following coverage begins on the Effective Date of this Warranty shown on page 1 of this warranty.

FIRST YEAR BASIC COVERAGE: for one year from the Effective Date of this warranty, the Residential Unit will be free from latent defects that constitute:

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or

(d) defective installation of appliances sold as part of the Residential Unit by the Seller or an agent, employee or subcontractor of the Seller.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Effective Date of this warranty, the Plumbing, Electrical, Heating, Cooling and Ventilation

Systems of the Residential Unit which have been installed by the Seller are warranted to be free from latent defects resulting from defective installation by the Seller.

The Plumbing System refers to the gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System refers to all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System refers to all duct work, steam, water and refrigerant lines, registers, convertors, radiation elements and dampers.

Except by reason of a defect in installation by Seller, this major system coverage does not include defects in appliances, fixtures and items of equipment.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Effective Date of this warranty, the Residential Unit will be free from latent Major Structural Defects that result from:

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller; or

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions which affects their load-bearing functions to the extent that the Residential Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Residential Unit are not covered by this six-year coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages

and basements that are built separately from foundation walls or other structural elements of the Residential Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; and insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

In all coverages under this Paragraph 4, workmanship, materials, design and installation will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the applicable building code of the municipality in which the Residential Unit is located, in effect on the date that the building permit for the Residential Unit was issued, as supplemented by the annexed locally accepted building standards and practices.

ALL TIME PERIODS FOR THESE COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

5. Exclusions From All Coverages. The following are not covered by this warranty:

(a) patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Residential Unit prior to the Effective Date of this warranty ought to have revealed;

(b) defects in detached garages and carports; swimming pools and other recreational facilities, if any; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); and any other improvements not a part of the Residential Unit itself;

(c) raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; shading variations and fading of natural material on all cabinets, appliances, vanities, doors, fixtures, floors, counter tops, vanity tops and all exterior surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on fascias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows, window sashes, sliding doors, screens, electric fixtures and globes, woodwork, doors, interior painted surfaces, sinks, tubs, bowls, counter tops, vanity tops and bases, mirrors, hardware, flooring and cabinets; dented appliances; broken screens; minor chips (nicks) to cultured marble floors and counter tops; nail pops; ridging on sheet rock walls; lumber shrinkage; door warpage of less than 1/4"; warpage and shrinkage of deck wood; normal plumbing, heating and air conditioning noises and paint touch-ups.

(d) defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors and for incidental or consequential damages resulting from such work or materials;

(e) damage caused by the failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment;

(f) damage caused by the misuse, abuse, or interference by Purchaser or anyone other than Seller or its employees, agents and subcontractors with the Seller's original construction or installations;

(g) additional damage caused by the failure of the Purchaser to give notice to the Seller of any defects or damage in a timely manner as provided in this warranty;

(h) damage caused by changes in grade made by anyone other than the Seller, its employees, agents or subcontractors and damage caused by changes in grade made by Seller's agents and subcontractors if such work was ordered directly by Purchaser;

(i) damage caused by changes, alterations or additions made to the Residential Unit by anyone other than Seller or its employees, agents or subcontractors after the Effective Date of this warranty;

(j) damage caused by changes, alterations or additions made to the Residential Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this warranty;

(k) damage caused by dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation;

(l) loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, soil movement and changes in the underground water table;

(m) loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect;

(n) any damage which Purchaser has not taken timely action to minimize;

(o) normal wear and tear and normal deterioration;

(p) insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests;

(q) bodily injury, death, or damage to personal property;

(r) costs of shelter, transportation, food, moving, storage or other expenses related to relocation during repair or replacement;

(s) consequential, incidental, special and indirect damages;

(t) any claim not filed in a manner set forth in paragraph 7 of this warranty;

(u) damage which arises while the Residential Unit is being used for nonresidential purposes; and

(v) damage due to abnormal loading on floors which exceeds design loads as mandated by the applicable building code or building standards.

(w) damage due to ice build-up on the roof.

(x) defects in appliances, fixtures and items of equipment except if caused by defect in installation by Seller.

(y) fading of color of any natural materials in any improvement.

6. What Seller Will do in the Event of a Defect Covered by This Warranty. If a defect occurs in an item covered by this warranty, the Seller will repair, replace, or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s), within sixty (60) days after the Seller's inspection or testing discloses the problem, subject to weather conditions, acts of God, availability of materials, and other events beyond Seller's control. The choice among repair, replacement or payment is solely that of the Seller. In making any repairs or replacements, Seller shall have the right to select the method and materials to be used in performing such repairs or replacements.

Seller's liability under this warranty is limited in the aggregate to the amount listed on page 1 of the warranty.

Repair of damage to the load-bearing portions of the Residential Unit will be limited to that which is necessary to restore their load-bearing function. Repair of other Major Structural Defects will be limited to repair of those defects which made the Residential Unit unsafe, unsanitary or otherwise unlivable.

7. Step by Step Claims Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the tenth (10th) day after the expiration of the applicable

warranty period. Such notice must be sent by Purchaser to Seller by certified or express mail, return receipt requested. If this form shall not properly be completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand contained in such form, and any or all claims may be rejected. COMPLETION AND DELIVERY OF SUCH NOTICE OF WARRANTY CLAIM IN A TIMELY MANNER IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Warranty. No steps taken by the Seller in response to an improperly completed or untimely notice of a warranty claim will give rise to any liability of Seller to Purchaser in connection with such claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Residential Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Residential Unit must provide reasonable access to the Seller and the Seller's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement. Failure by Purchaser to provide such access shall invalidate this warranty with respect to the defect(s) set forth on the Notice of Warranty Claim.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim, the Seller will give written notice of that decision to the Purchaser at the address shown on the Notice of Claim Form. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under the circumstances. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessary are subject to weather conditions, availability of materials, and other events beyond the Seller's control.

8. Legal Actions. (a) No claim under this warranty may be commenced or asserted against Seller in any lawsuit unless a properly completed Notice of Warranty Claim Form has been received by the Seller in the time period set forth in paragraph 7 of this warranty.

(b) No lawsuit against the Seller under this warranty may be commenced more than thirty (30) days after the expiration date of the applicable warranty coverage, or thirty (30) days after Seller has given written notice of its rejection of Purchaser's claim with respect to such claim, or thirty (30) days after Builder has substantially completed corrective action for a defect with respect to such defect.

9. Miscellaneous Provisions. (a) To the extent any coverage under this warranty applies to common elements of a condominium, such coverage shall be deemed given to the Board of Managers of the condominium.

(b) This warranty may not be amended in any way without Seller's prior written consent in each instance.

(c) If any provision of this warranty will not be enforced by an appropriate court, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this warranty includes the other gender, and use of the plural includes the singular, as may be appropriate.

(e) This warranty shall be governed in accordance with the laws of the State of New York.

(f) The National Association of Home Builders Building Standards, as they may be amended, establishes the standards by which it will be determined whether the Residential Unit has a problem which is covered by this Limited Warranty and the obligation of the Seller to correct such problem.

INSTRUCTIONS TO COMPLETE
NOTICE OF WARRANTY CLAIM FORM

To ask the Warrantor to correct a defect in your Residential Unit that you think is covered by the Warrantor's Limited Warranty, you must complete this form and deliver it to the Warrantor. This is necessary to protect your rights to warranty performance under the Limited Warranty.

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem. If you do not know the answers to any questions, write "Don't know." **Please do not leave any items blank.**

NOTICE OF WARRANTY CLAIM FORM

(We)_____
(insert your name(s))

am the owner of Residential Unit #_____located at _____

_____

My mailing address and office and Residential Unit telephone numbers are as follows:

Address:_____
_____

Office Telephone Number:_____

Residential Unit Telephone Number: _____

I first occupied the Residential Unit as my residence on _____

I closed title to the Residential Unit on _____.

Set forth below are defects in my Residential Unit and the approximate date the defects occurred or I became aware of them:

NATURE OF DEFECTS	DATE OCCURRED OR FIRST OBSERVED

_____ _____

(Signature) (Date)

_____ _____

(Signature) (Date)

This completed and signed form must be sent to Warrantor at its address listed on the first page of the Warranty by certified or express mail, return receipt requested.

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018

Re: **Stanhope Foundry**
Purchaser:
Unit #:

Dear Sirs:

You have been holding in a trust account my/our down-payment for the above-referenced Unit in the amount of $_____. I/we acknowledge that a closing has taken place this date. Accordingly, Moritt Hock & Hamroff LLP is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Moritt Hock & Hamroff LLP as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said down-payment.

Very truly yours,

_____
Purchaser

_____
Sponsor's representative

WAIVER OF NOTICE OF CLOSING

, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Unit # at Stanhope Foundry.

2. Pursuant to a Purchase Agreement dated , 20 , I am entitled to thirty (30) days' written notice of the closing for my Unit.

3. I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on , 20 .

_____
Purchaser

Sworn to before me this day
of 20 .

_____
Notary Public

EXPRESS ASSUMPTION OF RISK

I/We _____ understand that by entering onto a construction site, there are extraordinary risks of grave bodily injury and/or death. In consideration for being allowed to enter upon the premises herein, I/we expressly assume all risks associated with the construction site, including but not limited to:

1. Falling debris;
2. Falls associated with excavations, uncleared ice and/or snow incomplete sidewalks and roads and downed trees and/or bushes;
3. Injuries associated with incomplete construction;
4. Injuries associated with operating machinery;
5. Injuries associated with incomplete or no railings; and
6. Injuries associated with incomplete and/or insufficient lighting.

I/We _____ further agree to fully indemnify and hold harmless Stanhope Real Estate Development LLC its members, officers, directors, principals, shareholders, successors and assigns for any and all damage to any personal property.

_____

_____

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____ and Parking Space Unit ____ at Stanhope Foundry, located at 196 Stanhope Street, Brooklyn, New York 11237.

Purchaser named below has tendered on _____, 20__, the above escrow deposit to Sponsor as a deposit for the above Unit and Parking Space Unit.

Purchaser: _____

Address of Purchaser: _____

_____

Phone number of Purchaser:

Cellular: _____

Social Security Number of Purchaser _____

Purchaser's Signature _____

RECEIPT

The SPONSOR of the above-named property hereby acknowledges receipt of the above escrow deposit.

Stanhope Real Estate Development LLC
By: Stanhope Development LLC

By: _____

Date of Receipt: _____

STORAGE LOCKER LICENSE AGREEMENT

LICENSE AGREEMENT made as of _____, 20__ (this "Agreement") by and between the Board of Managers of Stanhope Foundry, having an address at 196 Stanhope Street, Brooklyn, New York 11237, (the "Board" or the "Licensor"), and _____ _____, having an address at 196 Stanhope Street ____ Unit ____, New York, New York 11237 ("Unit Owner" or the "Licensee") and Stanhope Real Estate Development LLC, having an address at 28-07 Jackson Ave, Suite 11-138, Long Island City, New York 11101

WHEREAS, The Stanhope Foundry (the "Condominium") is governed by that certain Declaration of Condominium dated _____, recorded in the King County Office of the Register of the City of New York on _____ under the City Register File Number _____, as the same has been or may be amended from time to time (the "Declaration"), the By-Laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration," the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in accordance with the terms of the Declaration, the Board is responsible for administration of the Common Elements of the Condominium, including, without limitation the Storage Locker located in a portion of cellar floor of the Condominium there; and

WHEREAS, Unit Owner desires to purchase a license to use the storage Locker designated as Storage Locker No. _____ (the "Storage Room") for so long as Unit Owner owns a Unit in the Condominium;

WHEREAS, Unit Owner simultaneously herewith is purchasing Unit ___ (the "Unit") in the Condominium.

NOW, THEREFORE, in consideration of the mutual covenants herein expressed, Licensor, Sponsor and Licensee hereby covenant and agree as follows:

1. Fees. The following are the fees required to be paid by licensee:

(a) License Fee. As of the Effective Date, Licensee shall pay to Sponsor a one-time non-refundable license fee in the amount of _____Thousand and 00/100 ($_____,000) Dollars ("License Fee") for Licensee's use of the Storage Room. The License Fee shall be delivered to Sponsor at Sponsor's address first set forth above.

(b) Security Deposit. Licensee will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the Storage Room License.

(c) Monthly Maintenance Fee. Licensee will be required to pay a monthly maintenance fee for their Storage Room in the amount listed in Schedule A-1 of the Offering Plan.

(d) Late Charge. In the event that any payment required to be made by Licensee under this Agreement shall not be received by Licensor on the date such payment is due, Licensee shall pay: (i) a one-time late charge of One Hundred and 00/100 ($100.00) Dollars for each such overdue payment to defray administrative expenses incurred in handling such delinquent payments; and (ii) interest on the overdue amount calculated at the maximum legal rate per annum. Such Late Charge fee does not preclude The Board or Sponsor from any other remedies stated herein and allowed by law.

(e) Legal Fee. Upon the signing of this Agreement, Licensee shall deliver to Moritt Hock & Hamroff, LLP, having an address at 1407 Broadway, 39th Floor, New York, NY 10018, Licensor's legal fee in the amount of One Thousand and 00/100 ($1,000.00) Dollars, made payable to "Moritt Hock & Hamroff, LLP", for the preparation and negotiation of this Agreement.

2. Use of Storage Room; Access to Storage Room.

(a) Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns, and Licensee hereby accepts from Licensor, an exclusive license (the "License") to use the Storage Room during the term hereof for storage of Licensee's personal property and the property of permitted occupants of the Unit (collectively, the "Permitted Users").

(b) Licensee shall not store or permit anyone else to store in the Storage Room any (i) animals, food or any other perishable, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items the value and/or replacement of which is not reasonably capable of being covered by insurance.

(c) Licensee shall not (i) interfere with the use of a storage Room by any other Unit Owner or Permitted User, (ii) store any property outside the Storage Room, (iii) allow any other person to use the Storage Room except in accordance with the terms of this Agreement, or (iv) deface or damage the Storage Room, the Building or Licensor's equipment. Notwithstanding anything to the contrary contained in this Agreement, Licensee may install racks, shelving or other facilities within the Storage Room, provided that such installation does not damage the structural integrity of the Building, the Storage Room or any other Storage Room. Licensee shall, however, at Licensor's request and at Licensee's sole expense, remove any such installation upon the expiration of the Term or earlier termination of this Agreement.

(d) Licensee shall keep the Storage Room locked with a lock procured by Licensee at Licensee's expense, and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys. Licensor shall be entitled to use the duplicate key in its possession to access the Storage Room only in case of emergency as described below or to make repairs that Licensor in its reasonable judgment deems necessary.

(e) Licensee shall have access to the Storage Room 24-hours a day, seven days a week, subject to the right of Licensor, in its reasonable judgment, to restrict late night access for security reasons.

3. Term. The term (the "Term") of this License shall commence on the date first set forth above and shall continue until the earlier of (i) the date Licensor no longer owns the Unit (subject to the provisions of Section 4 of this Agreement), (ii) the effective date on which Licensee gives Licensor written notice of termination or (iii) the date this Agreement is terminated by Licensor due to Licensee's default or otherwise (as provided herein).

4. Sale or Lease of Residential Unit; Assignment/Sublicense of this Agreement.

(a) The License granted hereunder shall automatically terminate on the date that the Licensee no longer owns the Unit, unless, however, Licensee assigns this License to the approved purchaser or other transferee of the Unit (the "Transferee"), and Transferee assumes same, in accordance with the provisions of this Agreement.

(b) Specifically, if Licensor has waived its right of first refusal with respect to the sale or other conveyance of the Unit, or if Licensor has exercised its right of first refusal, in either case as set forth in the By-laws of the Condominium, and if the assignment of this License to the Transferee was a condition of the applicable sale or other conveyance of the Unit the Licensee may assign this License to the Transferee as part of the sale or other conveyance. Upon execution of an assignment and assumption of this Agreement, Licensee shall provide a fully executed original counterpart of same to Licensor, in form and substance acceptable to Licensor, with ten (10) days of execution thereof.

(c) If Licensee desires to lease the Unit, and if Licensor has waived its right of first refusal (or has exercised such right) in connection with the proposed lease, the Licensee may sub-license this License to the tenant to whom the Unit is/are being leased. Upon execution of a sub-license of this Agreement, Licensee shall provide a fully executed original counterpart of same to Licensor, in form and substance acceptable to Licensor, within ten (10) days of execution thereof.

5. Removal of Property in Storage Locker upon Expiration of Term. In the event this Agreement expires or is terminated, Licensee shall vacate and surrender possession of the Storage Locker, broom clean, in the condition as existed on the date of commencement of this Agreement. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement. Any property not removed from the Storage Locker at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's sole cost and expense, in either case without any liability to Licensee or anyone else.

6. Indemnity. Licensee shall indemnify and save harmless Licensor and Licensor's agent against and from any and all liability, loss, damage and expense (including without limitation, attorney fees, and expenses) arising from injury to person

and property occasioned by Licensee's negligence or failure of Licensee to comply with any provisions in this Agreement, or due wholly or in part to any act, default or omission of the Licensee, any Permitted Users or any other person using the Storage Locker, or by Licensor, its agents, servants or contractors when acting as an agent for the Licensee. The provisions of this paragraph 6 shall survive the expiration or other termination of, or the sub-license of, this Agreement.

7. Risk of Loss. Neither Licensor nor its agents or employees shall be liable for any damage to or theft or other loss of any property stored in the Storage Locker, unless due to the negligence of Licensor. Licensee understands that the Licensor intends to leave the storage area in which the Storage Locker is located unattended and accordingly, Licensee stores property in the Storage Locker at Licensee's own risk, including, without limitation, the possibility that the Storage Locker may be damp or have water infiltration. Licensor undertakes only to act as a Licensor, and under no circumstances shall Licensor or its agents be deemed to act as Licensee's bailee.

8. As Is Condition. Licensee represents that it has made a thorough inspection of the Storage Locker and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the Term of this Agreement, take good care of the Storage Locker.

9. Services by Licensor. Licensor shall not provide any services to the Storage Locker or to Licensee in connection with storage of property in the Storage Locker, except lighting in the area in which the Storage Locker is located and elevator service to that floor and periodic cleaning of the storage area in which the Storage Locker is located. Licensee shall keep the interior of the Storage Locker clean.

10. Changes to Be in Writing. This Agreement may not be modified except by a writing signed by the party to be charged.

11. Licensee's Default. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor under the Declaration or otherwise, Licensor may (i) deny access to the Storage Locker until Licensee cures such default, or (ii) terminate this Agreement by the giving written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

12. Compliance with Laws. Licensee shall, at all times, use the Storage Locker and permit the Storage Locker to be used only in a matter which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the city of New York, which may require the removal or destruction of items stored in the Storage Locker Licensee, its servants, employees, agents, visitors and Licensee shall observe faithfully and comply strictly with the Condominium Documents and any and all rules and regulations promulgated by Licensor.

13. Access. Licensor or its agents shall have the right (but not the obligation),

without liability to Licensor, to open the Storage Locker in an emergency in order to protect the health and safety of Building, its residents and their property, and at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Storage Locker or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

14. No Waiver. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not be deemed a waiver of such right and shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effort of an original violation.

15. Assignment. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitations, the obligation of the assignee to enter into a new license agreement directly with Licensor.

16. Definitions. All capitalized items used in this Agreement and not defined herein shall have the same meanings ascribed to them in the Declaration.

17. Successors and Assigns. This agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of Licensor and Licensee.

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

THE BOARD OF MANAGERS OF
STANHOPE FOUNDRY UNIT OWNER(S):

By:_____ _____

Name: _____ _____

Title: _____

Property Address:
Stanhope Foundry
196 Stanhope Street
Brooklyn, New York 11237

Lot: _____
Unit No.: _____

POWER OF ATTORNEY

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

When your agent exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "Important Information for the Agent" at the end of this document describes your agent's responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can request information from your agent at any time. If you are revoking a prior Power of Attorney by executing this Power of Attorney, you should provide written notice of the revocation to your prior agent(s) and to the financial institutions where your accounts are located.

You can revoke or terminate your Power of Attorney at any time for any reason as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a "Health Care Proxy" to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us or www.assembly.state.ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

I (We) residing at _____ ("Principal") the owner of Condominium Unit No. ___ in the Condominium known as Stanhope Foundry, covering the property located in the Borough and County of Kings, City and State of New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of Stanhope Foundry c/o 28-07 Jackson Avenue, Suite 11-138, Long Island City, New York 11101 and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, designate, constitute and appoint the Members of the Board of Managers of Stanhope Foundry and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf, the right to act in my behalf to take any and all action necessary against any tenant(s) that may be residing in my Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of Stanhope Foundry.

I (We) do hereby further irrevocably nominate, constitute and appoint Stanhope Real Estate Development LLC, 28-07 Jackson Avenue, Suite 11-138, Long Island City, New York 11101, and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of Condominium of Stanhope Foundry permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium of Stanhope Foundry.

Terms used in this Power of Attorney, which are used in the Declaration submitted by Stanhope Real Estate Development LLC establishing a Plan for Condominium Ownership of the premises known as Stanhope Foundry under the Condominium Act (the “Declaration”), dated _____, 20__ and recorded in the Kings County Register’s Office on _____, 20__ as CRFN _____ together with the Exhibits attached thereto, shall have the same meanings herein as in the Declaration.

This document does not revoke any power of attorney I/we have previously executed. In order to revoke a prior power of attorney, I/we will execute a revocation specifically referring to the power to be revoked.

Notwithstanding anything set forth herein to the contrary, this power of attorney is irrevocable and shall not be revoked by any subsequent power of attorney I/we may execute.

Whenever two or more powers of attorney are valid at the same time, the agents appointed on each shall act separately, unless specified differently in the documents.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this day of , 20__.

_____

_____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, 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 they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

IMPORTANT INFORMATION FOR THE AGENTS:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

1. act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;

2. avoid conflicts that would impair your ability to act in the principal's best interest;

3. keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;

4. keep a record or all receipts, payments, and transactions conducted for the principal; and

5. disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (Your Signature) as Agent for (Principal's Name).

You may not use the principal's assets to benefit yourself or give major gifts to yourself or anyone else unless the principal has specifically granted you that authority in this Power of Attorney or in a Statutory Major Gifts Rider attached to this Power of Attorney. If you have that authority, you must act according to any instructions of the principal or, where there are no such instructions, in the principal's best interest. You may resign by giving written notice to the principal and to any co-agent, successor agent, monitor if one has been named in this document, or the principal's guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

Liability of agent:

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the Power of Attorney, you may be liable under the law for your violation.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____, Member of Stanhope Real Estate Development LLC, have read the foregoing Power of Attorney. Stanhope Real Estate Development LLC, is one of the entities identified therein as agent for the principal named therein. On behalf of Stanhope Real Estate Development LLC, I acknowledge my/our legal responsibilities.

Agent(s) sign here:

Stanhope Real Estate Development LLC

By: _____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____ of the Board of Managers of Stanhope Foundry have read the foregoing Power of Attorney. The Board of Managers Stanhope Foundry is one of the entities identified therein as agent for the principal named therein. On behalf of the Board of Managers, I acknowledge our legal responsibilities.

Agent(s) sign here:

BOARD OF MANAGERS OF STANHOPE FOUNDRY

By: _____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

POWER OF ATTORNEY

_____

to

Board of Managers of Stanhope Foundry
and

Stanhope Real Estate Development LLC
Unit ___

196 Stanhope Street
Brooklyn, New York 11237

Block ___Lot __
County of Kings

Record and Return to:

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018

DEED

THIS INDENTURE made the day of , 20__ between Stanhope Real Estate Development LLC, a New York Limited Liability Company, having a place of business at 28-07 Jackson Avenue, Suite 11-138, Long Island City, New York 11101, Party of the First Part and

Party of the Second Part;

W I T N E S S E T H

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a Condominium Unit (the "Residential Unit") in Kings County, City and State of New York, known as Residential Unit No. _____ together with Parking Space Unit ___ (if applicable) in the Condominium known as Stanhope Foundry, said Residential Unit designated and described as Residential Unit No. ___ and said Parking Space Unit designated and described as Parking Space Unit No. ___ (if applicable), in the Declaration establishing a plan for Condominium Ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated and recorded in the Office of the City Register, Kings County (the "Register's Office") on _____in Reel _____page _____ and also designated as Tax Lot _____ in Block _____ of Section ____ of Kings County on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plan of said building certified by _____on _____and filed with the Real Property Assessment Department of the City of New York on _____as Condominium Plan No. _____, and also filed in the Register's Office on _____ as Condominium Plan No. _____, Map No. _____.

TOGETHER with an undivided _____% (combined Residential and Parking Space Units, if applicable) interest in the Common Elements.

The premises within which the Residential Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

TOGETHER with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO: The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium as the same may be further amended from time to time by instruments recorded or filed in the Register's Office of the City of New York, Kings County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Residential Unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the First Part covenants that the party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for purpose of paying the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Residential Unit is intended is that of a one family residence or non-residential use, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

The use for which the Parking Space Unit is intended is that of a parking space for automobiles, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Party of the First Part has duly executed this deed and the Party of the Second Part has duly assumed the mortgage therein referred to, the day and year first above written.

STANHOPE REAL ESTATE DEVELOPMENT LLC
By: Stanhope Development LLC

By: _____

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

On the ____ day of _____ in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SECTION E-E

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

December 23rd, 2025

STANHOPE FOUNDRY

196 STANHOPE ST

BROOKLYN, NY 11237

Prepared by:
DE ZHANG FANG, R.A
FANG ARCHITECT
35-18 Linden Place 2F
Flushing, NY 11355

SCHEDULE G

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) Location and Use of Property

This Property and its proposed use will comply with all zoning and use requirements and either a Temporary or Permanent Certificate of Occupancy will be presented at closing.

- Address: 196 STANHOPE ST, BROOKLYN, NY 11237
- Block and lot: Block: 3268, Lot: 32
- Zoning: C4-3 in R6
- Permissible Use: Residential use and commercial is permitted as-of-right as per NYC zoning resolution.

The proposed project is a 5-story with 10-family building with commercial use at 1st floor. Proposed building was approved by the New York City Dept. of Buildings as application B00920640-I1 on 05/23/2024.

Tax Lot #32 consists of one five(5)-story building. The proposed uses for the building is Use Group 2 and 6, consisting of:

- Total Ten (10) Class “A” multiple dwelling units;
- One (1) Commercial unit.

Provided that a total of 5,451.90 sq ft of Commercial in the cellar & first floor, and 8,790.92 sq ft of Residential from second floor through fifth floor.

Quality Housing Program Compliance: The building is not a Quality Housing project. It is not applicable under the current Zoning Resolution amended on 12/05/2024.

Statement of Dimension: The approximate square footage (SF) is calculated from (I) the exterior face of any exterior walls directly enclosing the unit (perimeter and mechanical pipes are not deducted) (II) the center line of any wall or partition separating the unit from another unit; and (III) the outside face of any demising wall or partition separating the unit from any common areas, mechanical areas, elevator shafts, egress stairs or trash rooms where those elements do not exclusively serve the unit. Where furring wall or chase space serving the unit is adjacent to the structural shear wall bounding the egress stair, the area is taken to the inside face of structural shear wall. The approximate floor area of each terrace or balcony has been measured horizontally from the exterior face of any exterior parapet or wall directly enclosing the terrace or balcony to the exterior face of the enclosed space. Any common elements located within a condominium unit are not considered part of such condominium unit.

(b) Status of Construction

(1) Year Built: The construction started on May 2024. The substantial completion date for the project is projected for November 2025.

(2) Class of Construction: The building is classified as II-A, per 2022 Building Code of the City of New York, in which the walls, exit ways, structural members, floors and roof are constructed of noncombustible material and assemblies affording the fire resistance rating of two-hour. The floor structure is 4" concrete topping on metal decking, steel beams, and structural steel skeleton frame.

The minimum fire rating for exterior walls at east and west is 1-hour fire rated based on the fire separation distance less than 5 feet as per BC 602. The minimum fire rating for exterior walls at south and north is 0-hour rated based on the fire separation distance more than 30 feet as per BC 602. The proposed exterior walls at all sides are minimum 1-hour fire rated.

The building is required to comply with ADA accessibility regulations. The building's main entrance, all apartments' entrances, and the egress routes are accessible. The building is equipped with an elevator to be part of the accessible route. The 1st floor retail store has two ADA restrooms. All dwelling units are adaptable units with a bathroom complying with NYC accessibility regulations and an adjustable kitchen counter meeting ADA requirements.

(3) Certificate of Occupancy: Ten (10) Residential Class "A" Multiple dwelling units (Occupancy Group: R-2, Use Group: II). One (1) Commercial space (Occupancy Group: M, Use Group: VI). Started, under approved new building application B00920640. All work, including general construction, heating, ventilation, plumbing and electrical will be completed before a permanent Certificate of Occupancy is issued. The sponsor shall obtain a temporary certificate of occupancy prior to the first closing date.

(4) Permit number and description: The new building permit was issued on 05/28/2024 for construction of this new mixed-use building. Permit number is B00920640-I1-GC. The building construction is completed.

(c) Site

The proposed building is located at 196 Stanhope St in Brooklyn, New York (100 ft SOUTHERLY from the corner formed by the intersection of the EASTERLY side of Stanhope St with the Southerly side of Knickerbocker Avenue). No court, garden/retaining wall or landscape is proposed. All elements of the previous structure, including any concrete mat foundation or retaining walls, will be entirely removed.

(1) Size: Lot is 4,000 square feet with a frontage on Stanhope Street of 40.00' and Knickerbocker Avenue of 100.00'.

(2) Number of Building and Use: One (1) Mix-Use building is proposed with ten (10) class "A" dwelling units and (1) commercial unit.

(3) Street owned or maintained by the project: There is no catch basin situated on the sidewalk at the front of the property. The sidewalk surface is to be paved with new 4" H-1045 type 1 concrete. No street lighting or catch basin are proposed in this project.

(4) Drives, sidewalks, and ramps: Proposed sidewalk is new poured concrete as per builder's pavement plan application #340908806 filed and approved by the New York City Department of Buildings. There is no driveway or ramps proposed. The main entrance of the building is at grade complying with ADA accessibility regulations. The entrances and roof are designed in compliance with 2014 NYC Fire Code, Section FC 504.4.

(d) Utilities

1. Electricity will be supplied by the Consolidated Edison Company, which is government regulated. Individual electrical meters will be provided for each unit with one additional meter for common area use.

2. No gas service is proposed.

3. Water will be supplied by the City of New York. One main water meter is provided for all units for billing use. The water use is metered and billed collectively.

4. Main telephone line will be located at first floor with individual line to each unit provided by Verizon.

5. Utilities for the individual units will be the responsibility of the tenants. The common area utility cost will be a shared cost amongst all tenants.

(e) Sub-soil Conditions

1. According to Technical Report of Soil Investigation, also known as the soil boring provided by dbi Geotechnical, dated on January 21, 2021, the soil condition is adequate to support the building. This new construction utilized a standard spread footing foundation with slab on grade system. The bottom footing is set 9 feet below grade level, the sub-soil is stiff clayey sands and sand-clay mixtures, and such the sub-soil is adequate to support the building. The foundation has been accurately sized and designed to adequately support the calculated structural load of the building. A copy of the boring test report from dbi Geotechnical is attached.

2. The building is currently under construction. A moisture protection system, including a vapor barrier below the slab and foundation waterproofing, has been installed as part of the foundation system to prevent groundwater infiltration and provide long-term moisture resistance.

3. There is no land subsidence, expansive soil, hazardous materials, or environmental restrictions for the soil present on the property. As of the date of this disclosure, there is no indication of uneven foundation settlement or movement. There is no visible cracking, mortar joint decay, or related structural concern attributable to soil movement.

4. No hazardous materials or environmental restrictions are present on the property. There is no evidence of groundwater seepage or moisture infiltration at the site. No corrective measures have been required to address such issues during excavation or foundation installation.

5. The site location is not located in a flood zone.

(f) Landscaping and Enclosures

(1) Grass Cover: Not provided.

(2) Plantings: Not provided.

(3) Trees: Not provided.

(4) Fencing: not provided.

(5) Gates: Not provided

(6) Garden walls: Not provided

(7) Retaining walls: Not provided

(8) Display pools and fountains: Not provided

(g) Building Size

(1) Total height: 55'-0"
(2) Crawl space: None
(3) Number of Cellar: One level of cellar below 1st floor
(4) Number of Floor: Five (5) floors
(5) Equipment rooms: Electric Meter, water meter, sprinkler, & hot water heater rooms are located in the cellar.
(6) parapet: 42" high above roof surface

(h) Structural System

The frame is structural steel column and beam construction and is supported by pour in place reinforced concrete footing and foundation below grade level. The reinforced concrete foundation walls are poured on site with a minimum of 12-inch± thick and underpinning is not required. Floor system (2 hour fire rated) is concrete floor slab over metal deck with metal beams and soundproof underlayment of IIC 70 above concrete topping.

The architect specified that the foundation walls and floor slab are waterproofed with 10mil vapor and Bituminous waterproof foundation membranes. Perimeter perforated drainage pipes are used for sub-grade drainage for the foundation.

(1) Exterior of building:

(i) Walls:

North & South Wall (1-hour fire-rated exterior wall assembly):
The exterior walls at North and South are constructed of 6" metal studs. 5/8" Securock glass-mat sheathing, blueskin vapor barrier at exterior side and one layer of 5/8" type X gypsum board at the interior. The exterior wall insulation has 2" R-10 rigid foam board at exterior side and an R-21 cavity insulation between the metal studs at the interior. The front and rear facade are metal cladding panels at the exterior.

East & West Wall (3-hour fire-rated exterior wall assembly):
The exterior walls at East and West are constructed 8-inch concrete block with 2" R-10 rigid insulation with aluminum panels on the exterior. The durability of the system is approximately 20 years. At the interior side, installed with 6" metal studs with thick R-21 cavity insulation in between and one layer of 5/8" type x gypsum board at the interior.

(ii) Windows:

1. All windows are supplied by Shanghai Superhouse Building Material CO.LTD. The warranty against defects in materials and labor for a period of 5 years from the date of installation. A thermal break system is provided in all window frames through the use of thermal break extrusion profiles. Window size: 94"x108", 36"x60", 72"x84", 60"x84", 60"x60", 20"x20" and 72"x72.

Light and air calculation for each room as listed below:

Room	Floor area (sf)	Required light area (sf)	Provided light area (sf)	Required vent. Area (sf)	Provided vent. Area (sf)
Unit 2A					
Living/dining	158.74	15.9	98	8.0	20
Bedroom	145.67	14.6	98	7.3	20
Bedroom	92.79	9.3	42.5	4.7	20
Unit 2B					
Living/dining	273.69	27.4	40.83	13.7	17.5
Bedroom	125	12.5	64.65	6.25	20
Unit 3A					
Living/dining	158.74	15.9	98	8.0	20
Bedroom	145.67	14.6	98	7.3	20
Bedroom	92.79	9.3	42.5	4.7	20
Unit 3B					
Living/dining	156.5	15.7	51.17	7.9	14.5
Bedroom	86.34	8.6	51.17	4.3	14.5
Unit 3C					
Living/dining	180.03	18	57.85	9	17.5
Bedroom	100.28	10	64.65	5	20
Unit 4A					
Living/dining	158.74	15.9	98	8	20
Bedroom	145.67	14.6	98	7.3	20
Bedroom	92.79	9.3	42.5	4.7	20
Unit 4B					
Living/dining	156.5	15.7	51.17	7.9	14.5
Bedroom	86.34	8.6	51.17	4.3	14.5
Unit 4C					
Living/dining	180.03	18	57.85	9	17.5
Bedroom	100.28	10	64.65	5	20
Unit 5A					
Living/dining	182.30	17.5	110.25	8.8	37.5
Bedroom	80.1	10.6	69.42	5.3	10
Unit 5B					
Living/dining	256.80	25.7	155.17	12.9	45.5
Bedroom	105.58	10.6	61.25	5.3	20
Bedroom	103.1	10.3	61.25	5.2	20

2. There are no side lot line windows on this property. Lot line windows are located at the front and street facing. The windows may be counted toward the mandatory light and ventilation requirements.

3. Limited lifetime warranty is provided with the windows.

(iii) Landmark status: not applicable

(2) Parapets and Copings:
42" High masonry parapets are provided with aluminum copings.

(3) Chimneys and Caps:
There are no chimneys, caps, or flues provided in the building.

(4) Balconies and Terraces:

i. Deck finish: Concrete.
ii. Balustrades: Stainless steel
iii. Railing: Stainless steel with tempered glass is provided around perimeter of balconies.
iv. Coping: None.
v. Soffits: None
vi. Coping: None.
vii. Doors to balconies: Aluminum frame with clear glass and thermal break manufactured by Crystal windows. The door has a limited lifetime warranty of 10-years for the glass unit, and 5 years for the paint finishes.
viii. Unit Access
- Unit 2B: 1 rear-facing private terrace
- Unit 3C: 1 rear-facing balcony
- Unit 4C: 1 rear-facing balcony
- Unit 5C: 1 rear-facing balcony
- Unit 5A: 1 front-facing terrace

(5) Exterior Entrances:

i. Exterior door frames:
The commercial & residential entrance doors are swing type with aluminum frames and tempered glass, equipped with thermal break. (U-factor: 0.45, SHGC: 0.40). The entrance doors are manufactured by Tubelite Co,. An electrical strike lock set is provided and manufactured by Adams Rite Manufactoring Co.
ii. Vestibule door and frames:
The vestibule door and frame are aluminum frames, which have tempered glass with electrical strike lock. The manufacturer is Tubelite Co.
iii. Exterior stairs: None provided
iv. Railings: None provided.
v. Mailboxes: mailboxes are wall-mounted on the wall located in the first floor lobby.
vi. Lighting: Incandescent lights are provided at building entrances.

(6) Service entrances: not applicable

(7) Roof and Roof Structures:

(i) Type roofs for all areas:
Building roofs will be flat concrete slab composed by metal deck & lightweight concrete underlay supported by steel beams. The roofing assembly includes R-20 roof rigid insulation, approximately 3.6 inches thick. The roof surface is finished with a white reflective membrane designed for waterproofing and thermal performance. The approximate useful life expectancy of the roofing system is typically 20-30 years, consistent with the manufacturer's warranty provided. A 20 years Siplast warranty will be provided for the roof & 5th floor terrace only, and 2-year labor warranty for the 2nd floor and bulkhead upon substantial completion of the project. Aluminum flashing and counter flashing is provided at all exterior floor/roof and wall joint junctures.

(b) Insulation size, type, and insulating R-value:
The roofing assembly includes ISO tapered layer rigid insulation with an average R-value of R-20, approximately 3.6 inches thick.

(c) Surface finish:
The roof surface of the main roof and 5th floor terrace is finished with a white reflective Siplast Paratech Cap 180 modified bitumen membrane designed for waterproofing and thermal performance. The 2nd floor and bulkhead roofs are finished with a Soprema 1 Ply Bitutak APP 180 Granulated white cap sheet.

(d) Bond or guarantee:
A 20-year manufacturer's warranty from Siplast will be provided for the main roof and 5th floor terrace. This 20-year manufacturer's warranty covers materials.

(ii) Drains:
Aluminum gutter and leader are installed at the exterior side of the building. There are a total of 13 roof drains.

- 4 roof drains at the roof
- 2 roof drains at roof terrace on 5th floor
- 4 roof drains at roof of first floor in the rear of 2nd floor
- 3 roof drains at the balconies on 3rd, 4th, & 5th floor.

All roof drains are 4-inch controlled-flow cast-iron pipes connected to a storm pipe. The roof drains are paired, with a primary and secondary drain next to each other to provide redundancy and backup in the event of a blockage.

Where roof terrace drains are located above Residential Units (e.g., the 5th floor terrace drains above 4th floor units, as shown on architectural drawing A-005.01), the design incorporates specific leak management systems to mitigate potential damage.

The Condominium Board of managers is responsible for the maintenance, repair, and replacement of the building's drains, gutters, leaders, and any waterproofing systems. In the event of a leak from a common element, a unit owner must immediately notify the Managing Agent. The Managing Agent will investigate the leak, and if it is from a common element, the Board will hire a qualified contractor to repair the source.

Any resulting damage to the interior of a Residential Unit is the responsibility of the individual Unit Owner, who is required to maintain a personal homeowner's insurance policy to cover such damage.

(iii) Skylights: Not applicable

(iv) Bulkhead:

a) Stairs bulkhead: the exterior walls of the stair bulkheads are composed of 8" CMU wall, 2" rigid foam board insulation and stucco finish on the exterior side. The stairway access to the roof complies with FC Chapter 10.
b) Elevator bulkhead: the elevator exterior is composed of 8" reinforced concrete wall and stucco finish at the exterior side.

(v) Metal work at roof levels: One set of galvanized steel vertical ladder is provided for the bulkhead roof access.

(vi) Rooftop facilities: The rooftop area has 376.67 SF area dedicated as roof recreation area with a proposed occupancy load of 15. This area will be designated as Common Element, intended for use by the residents. The rooftop will be allocated as an accessory to residential space in the Certificate of Occupancy.

The rooftop access has been designed to comply with the 2014 New York City Fire Code, Section FC 504.4., ensuring that the necessary clear fire department access path is maintained at all times. The path must remain unobstructed, and no furniture or other obstacles will be allowed to block this access.

The roof terrace is paved with a modified bitumen roofing system. This material is suitable for outdoor use and regular foot traffic due to its durability and weather-resistant properties. The modified bitumen system is designed to ensure a long-lasting, low-maintenance surface while maintaining the roof's warranty in compliance with the manufacturer's requirements.

(vii) Sustainable Roofing Zone:

The building is in full compliance with sustainable roofing zone requirements by providing a green roof system on the available roof area.

- Type of system: the sustainable roofing zone is comprised of a vegetated roof system using drought-tolerant green plants grown in pots
- Area: The green roof system covers a total of 1412 SF, with 981 SF on the roof of 1st floor, and 431 SF on the main building roof.
- Maintenance: The Condominium Board of Managers is responsible for the green roof's maintenance. Weekly watering of the plants and necessary plant care will be provided. A water outlet has been provided on the roof areas, as per DOB requirements, to facilitate plant maintenance.
- Warranty: A 3-year labor and material warranty will be provided by developer Stanhope Real Estate Development LLC.

(8) Fire escapes: not applicable

(9) Yards and Courts:

One 38' deep residential rear yard is provided on the roof of 1st floor. Access is through a rear door from 2nd floor. There is no front yard, side yard or any court. A space of 354 SF in the rear yard is designated as a Limited Common Element for Unit 2B. The rest of the space in rear yard is designated as Common Element for all the residents.

i. Paving: The paving material used for the rear yard is modified bitumen.
ii. Drainage: The rear yard is equipped with (4) roof drains connected to the city combined sewer line.
iii. Railings: None provided.
iv. Stairs: None provided.
v. Fencing: There is a 6' high screening fence around the Limited Common Element space for Unit 2B to provide privacy and separation from the rest of the rear yard space.
vi. Walls: There is a 42" high, 8" concrete block wall around the roof terrace in the rear yard.

(10) Interior Stair:

i. Number of stairs:
There are two sets of stairs in the building. One set of scissor stairs connects residential units on each floor, leading from the cellar to the roof. The other set of stairs is from the cellar to the 1st floor to the exit on Stanhope St.
ii. Enclose:
The scissor stairwell is enclosed with 6" and 8" masonry blocks and has a minimum rating of 2 hours. The other stair is closed with 4" metal studs with 2 layers of fire code gypsum board on each side which has a 2-hr fire rating.
iii. Stair construction:
Steel railing & stringers, concrete riser & threads. (Not combustible material), 2-hour fire-rated.
iv. Guardrails and handrails: 34" high steel handrails are provided on one side of the stairwells.

All stairs are egress stairs complying with NYC building code.

(11) Interior Doors and Frames:

All unit entrance, exits, utility rooms, mechanical rooms, stairs and corridor doors are metal with its head, jambs and sash are one and a half hour fire-resistance rated self-closing doors. These items meet current building and fire codes and standards. All other interior doors within the residential units are hollow core wood doors with the wood head, jambs and sash.

(12) Elevators:

i. Passenger: 3500 lbs (22 people)
ii. Manufacturer: Innocore elevator
iii. Elevator number: 1 unit
iv. Type: automatic with Selective Collective operation
v. Floor served: Cellar, 1st floor, 2nd floor, 3rd floor, 4th floor, 5th floor & Roof
vi. Type (hydraulic; gearless): Gearless traction
vii. Door: sliding door
viii. Location of machine room: on the main roof next to the elevator

(13) Elevator cabs:

(i) Manufacturer: Innocore Elevator
(ii) Floor (material): Ceramic Tile
(iii) Walls (material): Flush Stainless
(iv) Ceiling (material): Fluorescent Strip Lights
(v) Alarm, safety system: the elevator has an emergency alarm system which is connected to the building's fire alarm system.

(i) Auxiliary facilities

(1) Laundry Rooms: there is no common laundry room in this building. An individual laundry facility is provided in each dwelling unit
   i. Location: In each dwelling unit
   ii. Washers: 1 electric washer is provided in a laundry closet in each apartment unit.
   iii. Dryer: 1 electric dryer is provided in a laundry closet in each apartment unit. The dryer is vent-less and stack-able.

(2) Refuse Disposal:
   i. Initial storage location: Refuse room is provided on each floor in the public hallway. It has 18.5 SF on the 2nd and 5th floor, and 17.7 SF on the 3rd and 4th floor.
   ii. Ultimate storage location: there is a trash room in the cellar, which is 53.1 SF.
   iii. Pick-up schedule: Tuesday, Thursday, and Saturday for garbage. Recycling on Saturday. Pick-up time: 08:00am – 09:00am and 06:00pm – 07:00pm. The service is by a public provider.
   Refuse room complies with NYC BC 1213 and MDL.

(3) Bike Storage: None provided.

(4) Storage:
   i. There is one storage room of 407 SF with 10 storage locker units provided, located in the cellar. The ceiling height of the storage room is approximately 8 feet high. These storage lockers are designated as Common Elements of the Condominium and are not appurtenant to any specific unit.
   ii. Lockers #1-#6 are 7'-4" x 3'-11". Lockers #7-#10 are 8'-2" x 4'-4". The lockers are enclosed by single-tier welded steel mesh.

(j) Plumbing and drainage

(1) Water Supply:

A 3" domestic water supply line from city water main with meter is provided at the cellar to all units by up feed system. The material used for the supply piping is copper. The main shutoff valve is in the water meter room at the cellar. Pipe insulation with R-3 is provided for hot water supply and circulation pipes.

(2) Fire Protection System:

One 3"fire service is provided for building automatic fire sprinkler system. Fire department connection (also known as Siamese) is installed on the front wall. The building is supplied by a wet pipe system. Sprinkler heads are pendant concealed type provided throughout the entire building in each room, except bathrooms and closets. No fire/jockey booster pump is provided.

(3) Detention tank(s) and enclosures: not applicable

(4) Water pressure and how maintained:

The water pressure test performed by Dept. of Environment Protection on a 12 inch water main which is fed from two direction on the west side of Stanhope St 1st hydrant south of Knickerbocker Ave was 57 psi. The residual pressure at this point was 55 psi when 500 gallons of water per minutes were flowing from the west side of Stanhope St 2nd hydrant south of Knickerbocker Ave.

(5) Sanitary Sewage System:

One combined 6" XHCI material pipe is installed to connect the sanitary house trap to discharge wastewater to city sanitary sewer system. The building sanitary waste line will be drained through gravity drainage to the sanitary house trap. Sewage ejector pump is not required. House traps are located in the cellar.

(6) Permit(s) Required:

Plumbing permit was obtained on 09/11/2024.

(7) Storm Drainage System:

One combined 6" XHCI material pipes are installed to collect all the storm waters from area, and roof. Controlled roof drains are installed as roof detention system.
A sump pump is installed in the elevator pit to pump the storm water from the pit to the storm pipe. The sump pump's manufacturer is Little Giant. The model number is 511348 SWN 50-AS, which has a 3-year limited warranty. The sump pump is an energy-saving low amp draw pump.

(k) Heating

Hot water will be provided to each residential unit by A.O. SMITH electric hot water heaters. They are in the hot water heater room at cellar. Hot water will be provided to the commercial store by Bosch electric tankless hot water heater within its restroom. Heating will be provided by electric mini-split A/C systems. A thermostat is installed within each unit to provide control of interior temperatures. Heating for the commercial store is provided by mini-split A/C system. The heating system can maintain legally required temperature under anticipated weather conditions by the code of the City of New York. The hot water pipes are insulated with R-3 pipe insulation.

Specification for the hot water heater for all residential units is as follows:

Brand: A.O. Smith

Model: E6-50H45DV130

Capacity: 50 GAL

Energy efficiency: 0.92 UEF

Warranty: Limited Warranty 6 years from the date of installation.

Specification for the hot water heater for commercial store is as follows:

Brand: Bosch

Model: Tronic 3000T ES8

Capacity: 1.44 kw

Energy efficiency: 0.98 UEF

Warranty: Limited Warranty 6 years from the date of installation.

The tenant of the individual unit will be responsible for the costs of maintenance and replacement of the domestic hot water heater. The space heating is supplied by elec. Mini A/C systems which is stated in (m) below.

Specification for the space heater for all residential & commercial units is as follows:

Brand: C&H HPR -Series Hyper Heat

Model: CH-HPR28M-230VO

Capacity: 28,000 BTU/hr

Energy efficiency: 12.5

Warranty: 7-year limited parts and compressor warranty when installed by a certified contractor

Brand: C&H HPR -Series Hyper Heat

Model: CH-HPR36M-230VO

Capacity: 36,000 BTU/hr

Energy efficiency: 11.7

Warranty: 7-year limited parts and compressor warranty when installed by a certified contractor

Brand: C&H HPR -Series Hyper Heat

Model: CH-HPR48M-230VO

Capacity: 48,000 BTU/hr

Energy efficiency: 11.7

Warranty: 7-year limited parts and compressor warranty when installed by a certified contractor

Where ductwork is used, it will be insulated with foil-faced fiberglass duct wrap. The insulation has a thickness of 2 inches and an R-value of R-8. The heating system is designed to maintain an interior temperature of 72°F. The ambient temperature used in calculations is 8°F

(l) Gas supply

No gas will be supplied for this building.

(m) Air conditioning:

(i) Type of system: Electric Mini Split Air Conditioning system (heating and cooling)
(ii) Manufacture:
Mitsubishi Electric – Model: PUZ-A12NKA7 (Apartment units: 2A, 2B, 3A, 3B, 3C, 4A, 4B, 4C, 5A, 5B)
Gree – Model: UMAT18HP230V1AO

(iii) Location: Outdoor condensers are on the main roof
(iv) Noise Mitigation: Vibration isolators are installed between the units and the dunnage.
(v) Warranty:

The systems are designed to maintain an indoor temperature of 72°F, The base ambient temperature for cooling load calculations is 95°F.

Specification for the cooling system for all residential units is as follows:

Brand: Mitsubishi Electric

Model: PUZ-A12NKA7

Cooling Capacity: 12,000 BTU/hr

Energy efficiency: SEER: 22, EER: 13, HSPF: 9.3

Warranty: 7-year limited parts and compressor warranty when installed by a certified contractor

Specification for the cooling system for commercial store is as follows:

Brand: Gree

Model: UMAT18HP230V1AO

Cooling Capacity: 18,000 BTU/hr

Energy efficiency: SEER: 22, EER: 12.5, HSPF: 9.0

Warranty: 5-year limited parts and compressor warranty

Outdoor condensers for the mini-split systems are located on the main roof of the building, designed for efficient air circulation and minimal exposure to adverse environmental conditions. All outdoor condensers and fasteners used in the installation of the mini-split systems are made from corrosion-resistant materials. The outdoor units are manufactured with weatherproof casings and corrosion-resistant coatings. The fasteners are made from stainless steel to prevent rust and corrosion over time.

(n) Ventilation

Ventilation for each bathroom is provided with 50 CFM ceiling mount fan connected to main duct through roof. Minimum CFM is 20 per 50 sf. Ventilation for each kitchen is through individual vent connected to main duct through the roof. Each hood will provide 150 cfm. The minimum required ventilation is 25 cfm per 100 sf.
Ventilation for the boiler room is through a flue 3'-0" above the peak of the roof and 10" diameter combustion air intake at 18" above roof. The minimum opening for the fresh air intake is 1 sq.in per 3,000 btu/h.

The exhaust fans noise emission ratings are 45dB. The cellar has no ventilation. The cellar use is for utility rooms and accessory storage only. It is not an occupied space. Ventilation is not required per NYC BC and NYC MC.

(o). Electrical system

All electrical wires are copper wires.

(1) Service from main service switch gear:
1000-Amps, 380-volts, 3 phases, 4-wire from city.
a. One (1) house panel for common areas with (1) electrical meter.
b. One (1) meter for each residential unit, One (1) meter for commercial space and (1) meter is for common use. Total is (12) meters.
c. All twelve (12) meters are located in the electrical room in the cellar.
d. Certificate of Compliance shall be obtained for electrical works from the local authorities having jurisdiction.
e. The electrical system is adequate for modern usage.
f. No backup electric generator is provided.

(2) Service to individual unit:
Each unit will be supplied with 125-Amps, 120/208-volt, single phase. The main service wires to each residential unit are #1 AWG copper. This service connects to a circuit breaker panel located within the unit from the main service panel.

The commercial space will be supplied with 400-Amps, 3 phase. The main service wires to the commercial space are 500 MCM copper. This service connects to a circuit breaker panel located within unit from the main service panel.

(3) Compartment switch gear:
The main electrical system includes a 1200 Amps main with two (2) 600-Amp knives cutoff and a 200-amp switch panel for PLP, with another 200-Amp panel for the firepump, all located in the electrical room. The public space PLP capacity is 200 amps, 3 phase.

(4) Unit service:
Each unit will be supplied with 125-Amps, 120/208-Volt, 2-phase 3-wire (#8) in a circuit breaker panel. Each unit will have switches, fixtures, and convenience and appliance outlets installed in accordance with the NYC Electrical Codes including separate outlets for air conditioning equipment and dishwasher. Kitchens, bathrooms and exterior balconies will have Ground Fault Circuit Interrupters (GFCI).

(5) Adequacy:
Each unit shall have adequate number of circuits and capacity to handle modern appliances. Lighting and fixture provided shall be approved by UL standards.

(i) Service: Each unit has 20 circuits and 125 amp to handle power lighting and modern appliances (refrigerator, dish washer, air handler, washer, bathroom fan and kitchen exhaust hood), convenience outlets. Lighting and fixture provided shall be approved by UL standards.

(ii) Lighting & fixtures:
Living room: (1) flush mount ceiling light, led 24 watts
Kitchen: (1) flush mount ceiling light, led 24 watts
Bedroom: (1) flush mount ceiling light, led 24 watts
Bathroom: (1) ceiling exhaust fan with light, led 9 watts
Washer& Dryer closet: (1) flush mount ceiling light, led 24 watts

(iii) Convenience outlet, appliance outlets:
Living room: (4) convenience outlets placed around 7’ apart.
Kitchen: (1) GFI appliance outlet for refrigerator, (1) GFI appliance outlet for dish washer, (1) GFI appliance outlet for microwave and (3) GFI convenience outlets placed 4’ apart above countertop.
Bedroom: (4) convenience outlets placed around 7’ apart.
Bathroom: (1) GFI convenience outlet placed near the lavatory
Washer& Dryer closet: (1) GFI convenience outlet for washer and dryer

All outlets are rated for 15 amps.

(iv) Wire sizes: Wire size for branch circuits varies depending on the appliance and usage. For dedicated appliance circuits, such as the cooking stove and air conditioning, which are typically 30-Amp circuits, the wire is #10 AWG copper. For normal use, general purpose branch circuits are #12 AWG copper.

(p) Intercommunication and/or door signal system

A “ButterflyMX” master intercom system with cameras (metallic finish) is provided in the building. All individual apartments will one wall hung video system. Warranty is for a period of 2 years after delivery the user. Electrical door strike system shall be provided on front doors at lobby.

Specification for the intercom system is as follows:

Brand: ButterflyMX

Model: 8” Surface Intercom

Warranty: 2-year manufacturer’s limited warranty from date of installation

here is no separate security CCTV system installed in the building beyond the video functionality of the ButterflyMX entry intercom system.

(q) Public area lighting

Location / Types of Lights	**Quantity**	**Manufacturer**	**Model #**
GYM			
Track Light 10’	2	WAC Track System	WTK-6010F-930-BK
Lobby			
Track Light 12’	1	WAC Track Ventrix	S2MD12-1F935BK
Track Light 7’	1	WAC Track Ventrix	S2MD12-1F935BK
Recessed downlight	5	WAC	R3CRDT-F35-BK
Pendant light	1	WAC	PD-18041-BK
Linear LED Tape light	1	WAC	T24-GE3-3500K-300WT
Recessed Linear LED	6	WAC	LED-T-RCH4-WT

Corridor

Track Light 12’	6	WAC Track Ventrix	S2MD12-1F935BK
Door side wall light	10		-
Track Light 6’	5	WAC	WTK-6010F-930-BK
Light above gym door	1	Sonneman	SKU 3747.25-35

All public areas have incandescent and energy efficient fluorescent lighting fixtures. Illumination levels will conform to the standard requirements.

(r) Garage and parking area

(1) Location of garages: Not applicable

(2) Location of parking areas: Not applicable

(3) Surfaces: Not applicable

(4) Parking: Not applicable

(5) Garage ventilation: Not applicable

(6) Garage fire protection: Not applicable

(7) Drainage: Not applicable

(s) Swimming pools: not applicable

(t) Tennis courts, playgrounds and recreation facilities:

A recreation space of 376.67 SF with a minimum dimension of 18’-10” is provided at the rooftop with an occupancy load of 15. The rooftop is enclosed with 42” high parapet wall.

(u) Permits, and Certificates

(1) The following permits or certificates shall be obtained and inspected by the Dept. of Buildings and/or by the Fire Dept. The duration of all permits below is one/two year once Obtained and shall be renewed when expired.

- Fence and sidewalk shed.
- New building construction.
- Mechanical.
- Plumbing.
- Sprinkler.
- Electrical.
- Sewer connection.

- Cross connection Backflow prevention device.
- Builder Pavement Plan.

The architect's plans have been filed with job number 421 563 855 which approved by the New York City Building Department was granted on 04/09/2018.

(2) Recurring inspections after building is in occupancy:
Sprinkler system (once annually)
Backflow preventer (once annually)
Fire alarm (once annually)
Elevator (twice annually), including periodic load tests as required by code, typically on a five-year cycle.

FISP (every 5 years)
Fire doors (annually, in accordance with NFPA 80)

(v) Violations

There are no outstanding violations. All related violations if any shall be cleared before issuance of Final Certificate of Occupancy.

(w) Unit information

(1) Finishes:

ROOM	FLOOR	WALLS & CEILING
Living Room	3/8" x 5" engineered hard wood	Painted Drywall
Bedroom	3/8" x 5" engineered hard wood	Painted Drywall
Kitchen/Kitchenette	12" x 12" Ceramic Tile	Painted Drywall
Bathroom	12" x 12" Ceramic Tile	Painted Drywall & Ceramic Tile
Closet	3/8" x 5" engineered hard wood	Painted Drywall

- All wood floor are engineered hard wood floor 3/8" thick manufactured by Home legend, Model #HL382H, having a 30-year residential warranty
- hardwood floors are present. The size and thickness is stated above
- Lighting fixture shall be incandescent in ceiling mounted at bedroom, kitchens, dining, bathrooms, hallways and living rooms.
- There shall be wall mounted video/audio intercom phones near the entrance door.
- All painted surfaces shall have one perimeter and two finishes coats.
- All kitchen cabinets shall have granite counter-top. Condition shall be new and warranted by the manufacturer. All appliances shall be new and are warranted by each manufacturer and the contractor guarantees installation for a period of one year.
- All bathroom fixtures are manufactured by American standard and accessories shall be new.

1. All units have 3-piece fixture bathroom with water closet, lavatory and shower.
2. Water closet: Brand: 7ISLAND, Model: 011301, one-piece tank toilet, constructed with white vitreous China with gloss finish
3. Lavatory: Brand: Kraus, Model: KCU-243, drop-in sink, ceramic with gloss finish
4. Shower: customized with delta shower sliding doors (alum. Frames with 0.25" certified glass) in bronze color and matte finish. Mode: 1118080.

- Kitchen appliances:

The kitchen has wall and counter cabinets, a countertop, an electric stove with an over-the range microwave above, a refrigerator, a dishwasher and a stainless-steel sink. The countertop is granite, and the cabinets are made from cherry wood.

1. Refrigerator: Brand: Bosch, Model: B091B91NSP
2. Electric stove: Brand: Bosch, Model: HEI8056U
3. Over-the-range microwave: Brand: Bosch, Model: HMV3054U
4. Dishwasher: Brand: Bosch, Model: SHE3AEM5N
5. Sink: Brand: Glacier Bay, Model: All-in-one 33" drop-in single bowl stainless steel sink with pull down faucet.

- Laundry facility:

1. Stacked Electric Washer: Brand- Bosch, Model: WGA12400UC
2. Stacked Electric Dryer: Brand – Bosch, Model: WTG86403UC

APARTMENT LAYOUTS:

There are one commercial unit and ten residential units. The commercial unit is on the 1st floor and cellar. Two residential units are on the 2nd floor and the 5th floor. Three residential units are on the 3rd and the 4th floor. Total of one commercial space & ten class "A" dwelling units. The commercial unit and residential units comply with Local Law 58, handicapped access law of the City of New York. All residential units are handicapped adaptable unit.

Commercial "C1" (at 1st floor& cellar)

The Commercial space has two ADA bathrooms. There are windows facing North, South and east side. The window.s on east side are lot line windows which is glass block and not operable to have a fire-rating of 2 hours. Entry is a glass door with aluminum frames to the sidewalk. There is water, electrical meter room & hot water heater room in the cellar.

Apartment "2A" (at 2nd floor front)

Two-bedroom apartment with two full bathrooms. There are windows facing North side. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette and two closets. The bedrooms and living room have windows facing the street.

Apartment "2B" (at 2nd floor rear)

One-bedroom apartment with one full bathroom. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette. The bedroom has a clothes closet and window facing the rear. The living room has a glazed sliding door to the private roof terrace on 1st floor roof.

Apartment "3A" and "4A" (at 3rd and 4th floor front)
Two-bedroom apartment with two full bathrooms. There are windows facing North side. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette and a walk-in closet. The bedrooms and the living room has windows facing the street.

Apartment "3B" and "4B" (at 3rd and 4th floor)
One-bedroom apartment with one full bathroom. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette. The bedroom has a clothes closet and window facing the rear.

Apartment "3C" and "4C" (at 3rd and 4th floor)
One-bedroom apartment with one full bathroom. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette. The bedroom has a clothes closet and window facing the rear. The living room has a glazed sliding door to the private balcony on 3rd & 4th floor.

Apartment "5A" (at 5th floor front)
One-bedroom apartment with one full bathroom. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette. The bedroom has a clothes closet and window facing the street. The living room has a glazed sliding door to the private roof terrace on 4th floor roof.

Apartment "5B" (at 5th floor rear)
Two-bedroom apartment with one full bathroom. Entry is via a fireproof self-closing door to a hallway. There is an open kitchenette. The bedrooms have clothes closets and windows facing the rear. The living room has a glazed sliding door to the balcony and a glass block window on the east side.

(x) Finishes schedule of spaces other than units

ROOM	FLOOR	WALLS & CEILING	REMARKS
Electrical Room	ceramic floor tile	Painted Drywall	8'-1" ceiling
Utility Room	ceramic floor tile	Painted Drywall	8'-1" ceiling
Water Room	ceramic floor tile	Painted Drywall	8'-1" ceiling
Indoor Gym	ceramic floor tile	Painted Drywall	8'-1" ceiling

UNIT	ROOM	FLR. TO CEILING HGT.
C1	Open space acccessory to Commercial Store	8'-1"
C1	Open space acccessory to Commercial Store	11'-7"
2A	Living and dining room, 2 Bedrooms, 2 Baths, Closet, K'nette,	9'-1"
2B	Living and dining room, 1 Bedrooms, 1 Bath, Closet, K'nette	9'-1"
3A	Living and dining room, 2 Bedrooms, 2 Baths, Closet, K'nette,	9'-1"
3B	Living and dining room, 1 Bedroom, 1 Bath, Closet, K'nette	9'-1"
4A	Living and dining room, 2 Bedrooms, 2 Baths, Closet, K'nette,	9'-1"

4B	Living and dining room, 1 Bedroom, 1 Bath, Closet, K'nette	9'-1”
4C	Living and dining room, 1 Bedroom, 1 Bath, Closet, K'nette	9'-1”
5A	Living and dining room, 1 Bedroom, 1 Bath, Closet, K'nette	9'-1”
5B	Living and dining room, 2 Bedrooms, 1 Bath, Closets, K'nette	9'-1”

(y) Safety and warning devices

Hardwired smoke and carbon monoxide alarm and detector combined device shall be installed within and outside 15 feet of entrance door of all habitable rooms and spaces in each apartment units. Exit sign and lights shall be installed on all exit doors. Automatic smoke detection and sprinkler fire alarm system with purge shall be installed.

The Fire Alarm Central station is installed on the wall near the vestibule entrance door in the 1st floor lobby. The fire alarm system is an automatic smoke detection and sprinkler fire alarm system. These devices detect movement in the sprinkler system when a sprinkler head activates, and when smoke damper and smoke detectors activate in the stair and in the elevator lobby, transmitting a signal to the fire alarm control panel and setting off the alarm in the process.
Specification for Fire Alarm Central Station System is as follows:

Manufacturer: Notifier by Honeywell

Model: NFS-320 Fire Alarm Control Panel

Warranty: 3-year limited warranty from the manufacturer

The above are the only required by Fire and Building codes and Regulations of the City of New York.

(z) Additional information required

All required additional information to be attached on separate sheet for references.
No asbestos or lead paint is proposed for this project

(bb) Further development

The Sponsor does not intend to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building, subsequent to the filing of this Offering Plan.

Special Risk

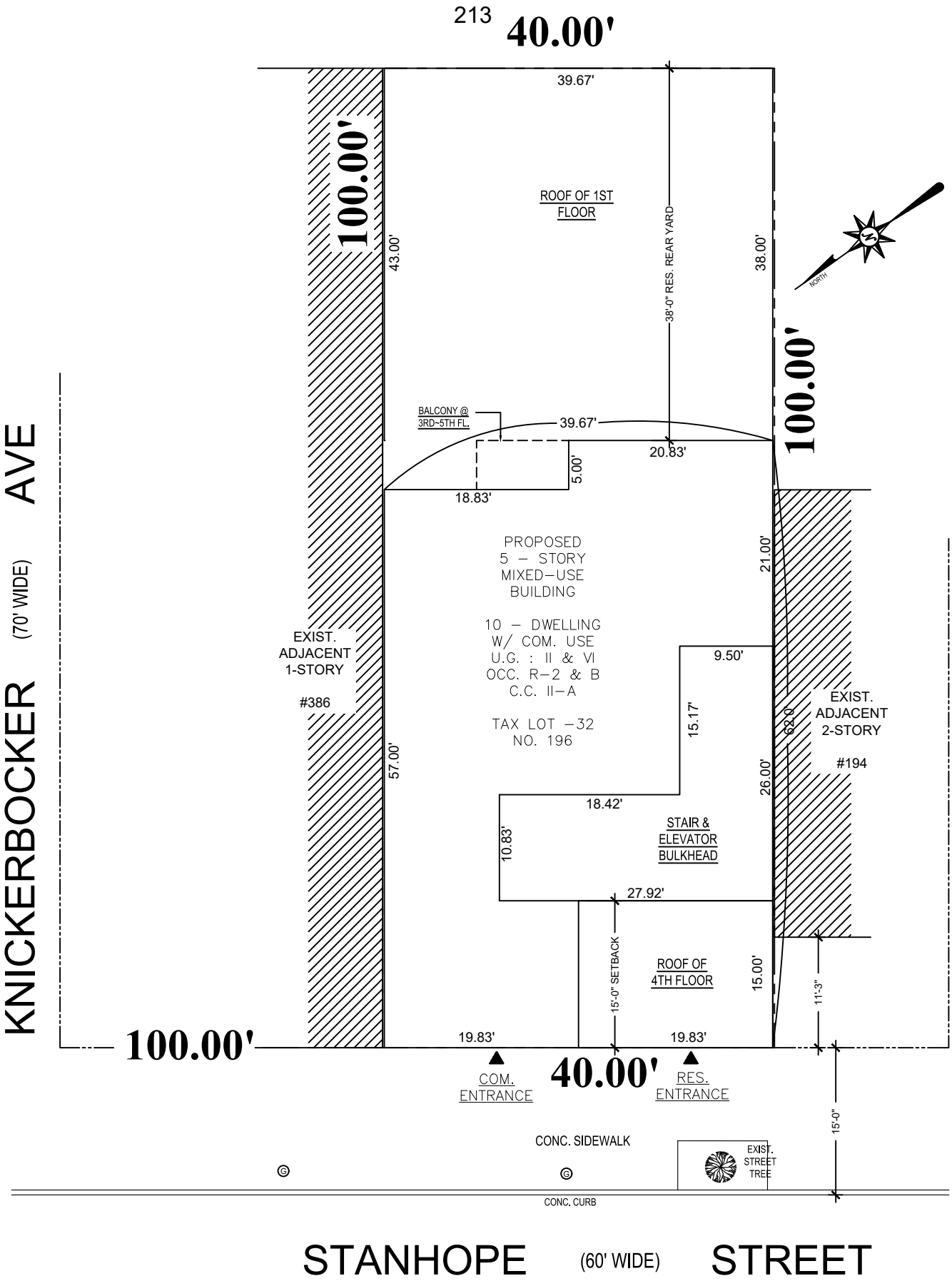
- That a permanent certificate of occupancy is required for permanent residential and commercial use of the premises, that a temporary certificate of occupancy has an expiration date (usually 90 days after its date of issuance) and may only be renewed for a total period of two years and that, if the temporary certificate of occupancy shall have expired prior to obtaining a permanent certificate of occupancy, residential and commercial occupancy of the premises will be in violation of the Multiple Dwelling Law and building code.

- Languages on Warranties in this condominium offering plan must be in accordance of Section 777-a (New York Housing Merchant Implied Warranty) and Section 777-b (New York Exclusion or Modification of Warranties) on sales of new home of The New York General Business Law.

- Any exclusion or modification of warranties that does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such standard, a locally accepted building practice, shall be void as contrary to public policy. In addition, any exclusion or modification of warranties that fails to ensure that a home is habitable by permitting conditions to exist which render the home unsafe, shall be considered void as well.

Prepared by:

December 23rd, 2025
DE ZHANG, FANG, R.,A.



FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

PROJECT:

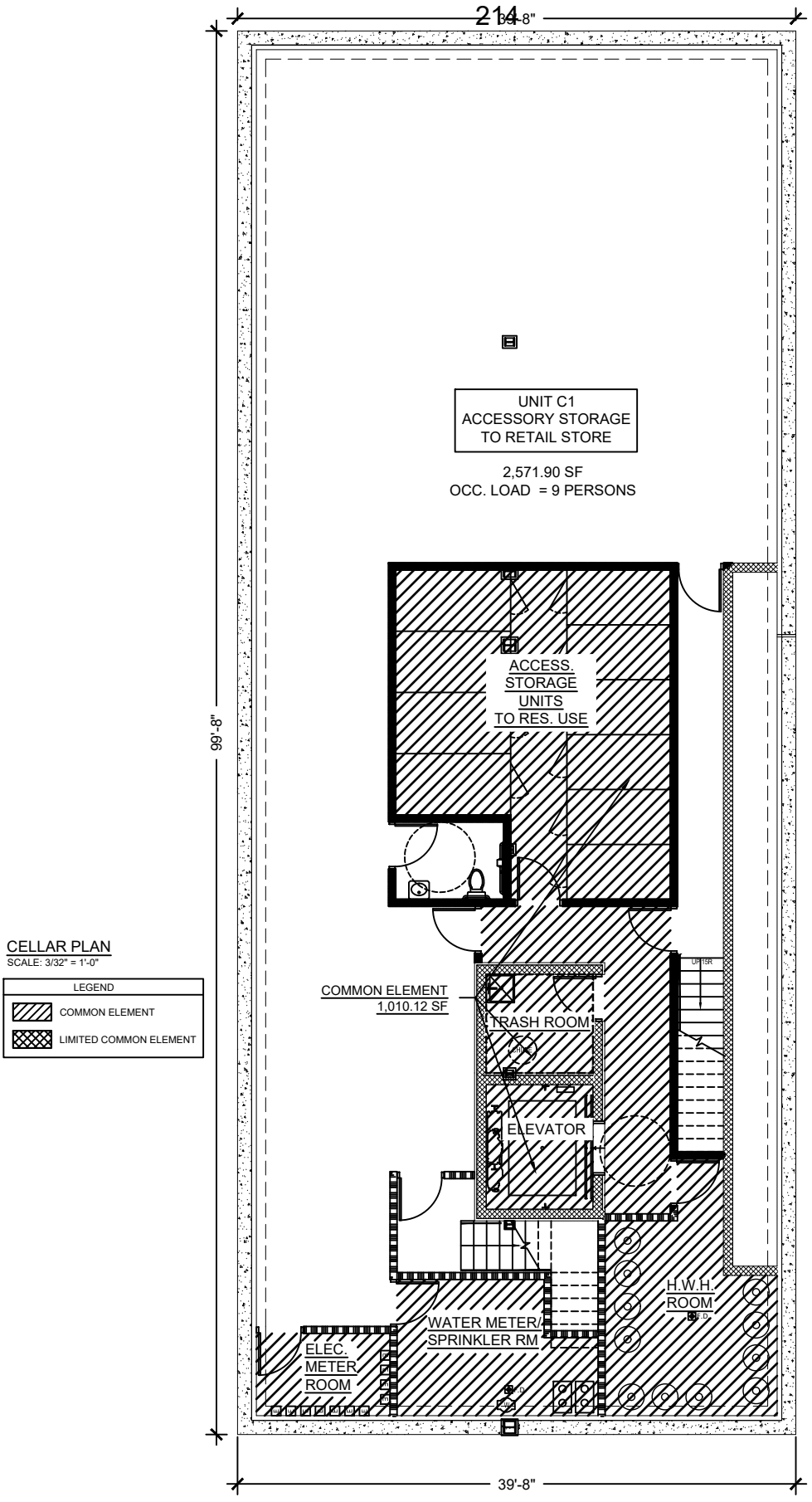
196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

SITE PLAN

SCHEDULE G-1



CELLAR PLAN
SCALE: 3/32" = 1'-0"

LEGEND
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

FANG ARCHITECT, P.C.

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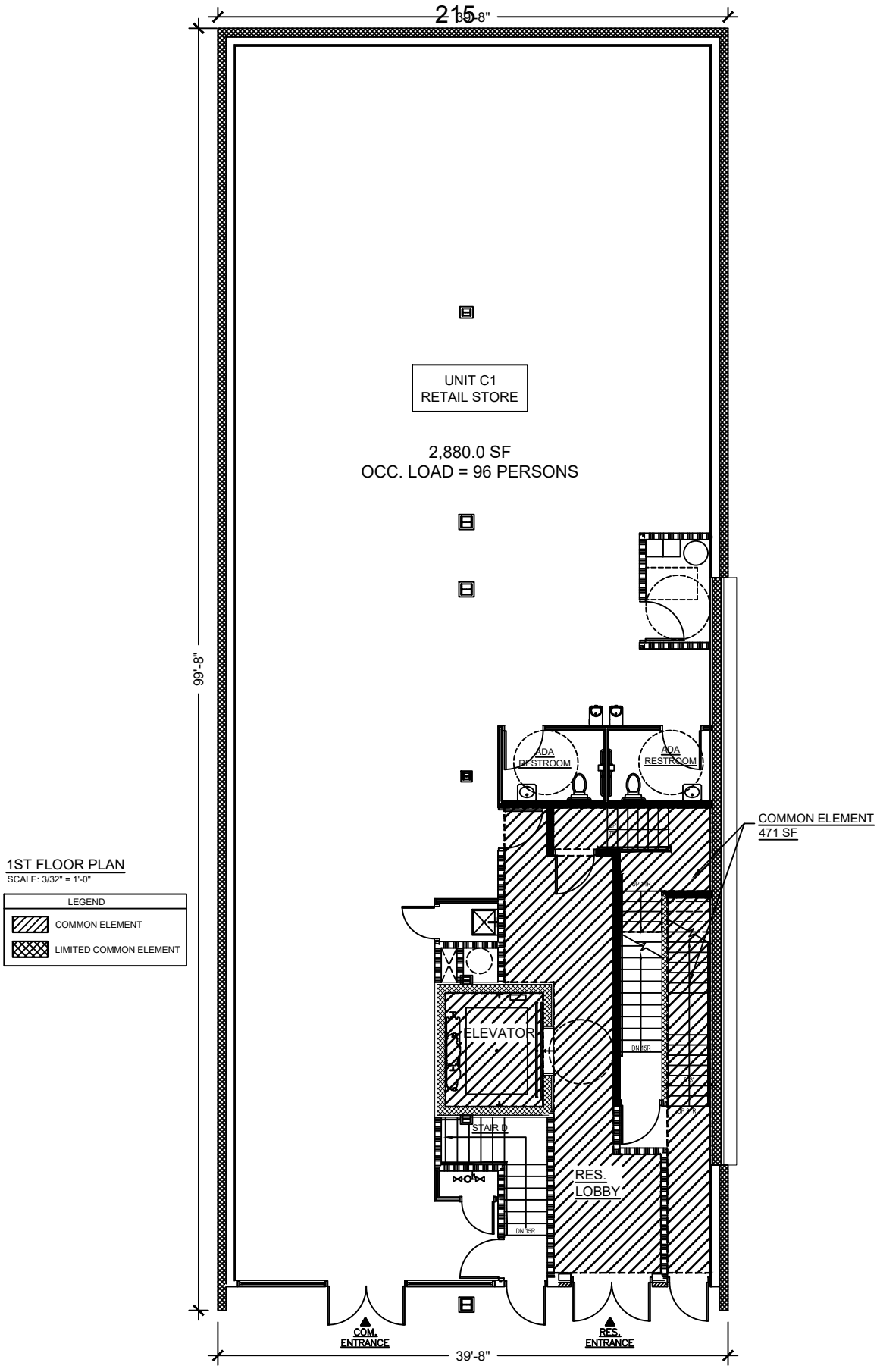
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

CELLAR PLAN



1ST FLOOR PLAN
SCALE: 3/32" = 1'-0"

LEGEND
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

FANG ARCHITECT, P.C.

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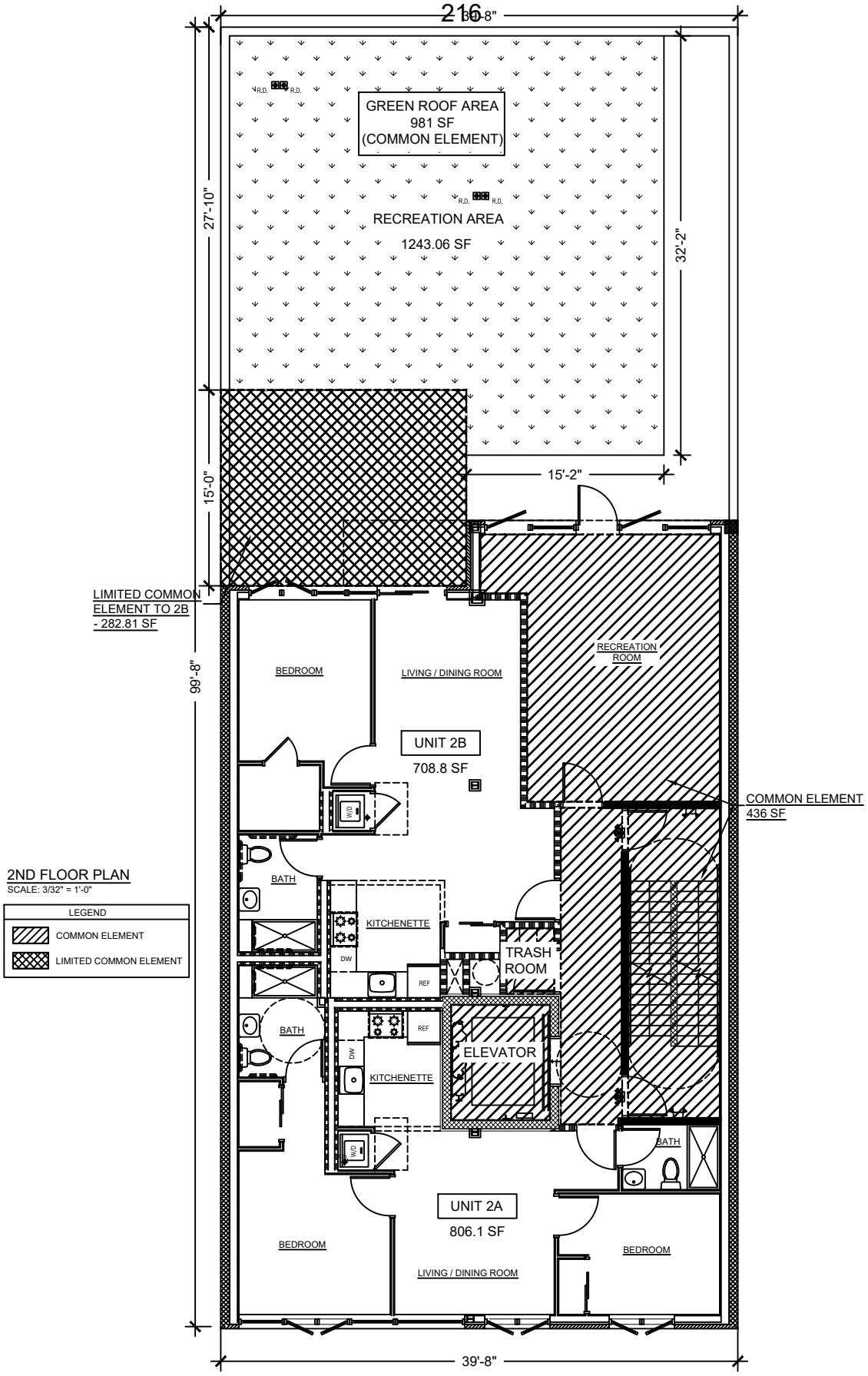
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

1ST FLOOR PLAN



2ND FLOOR PLAN
SCALE: 3/32" = 1'-0"

LEGEND
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

FANG ARCHITECT, P.C.

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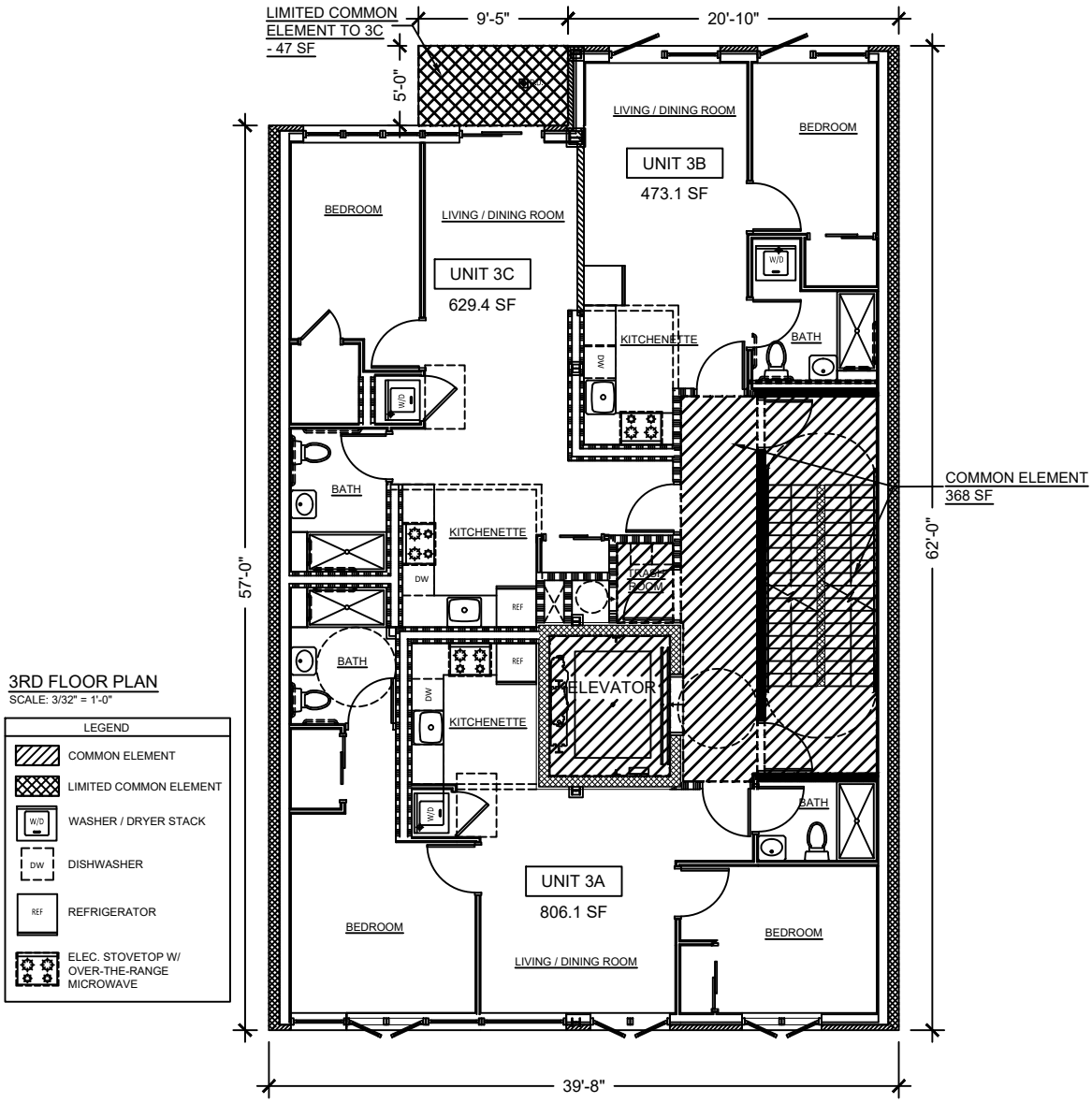
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

2ND FLOOR PLAN



FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

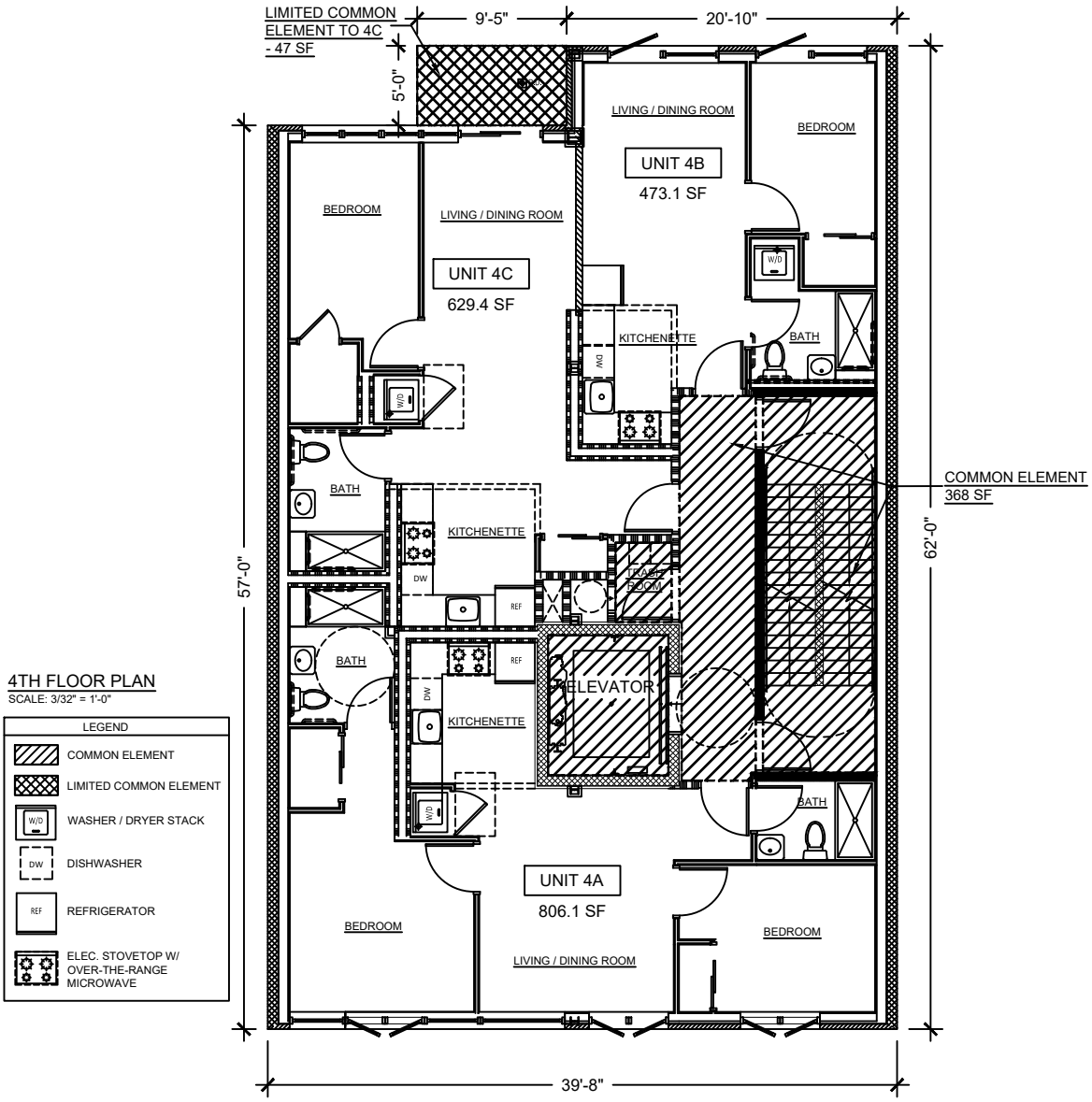
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

3RD FLOOR PLAN



4TH FLOOR PLAN
SCALE: 3/32" = 1'-0"

LEGEND

- COMMON ELEMENT
- LIMITED COMMON ELEMENT
- W/D — WASHER / DRYER STACK
- DW — DISHWASHER
- REF — REFRIGERATOR
- ELEC. STOVETOP W/ OVER-THE-RANGE MICROWAVE

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

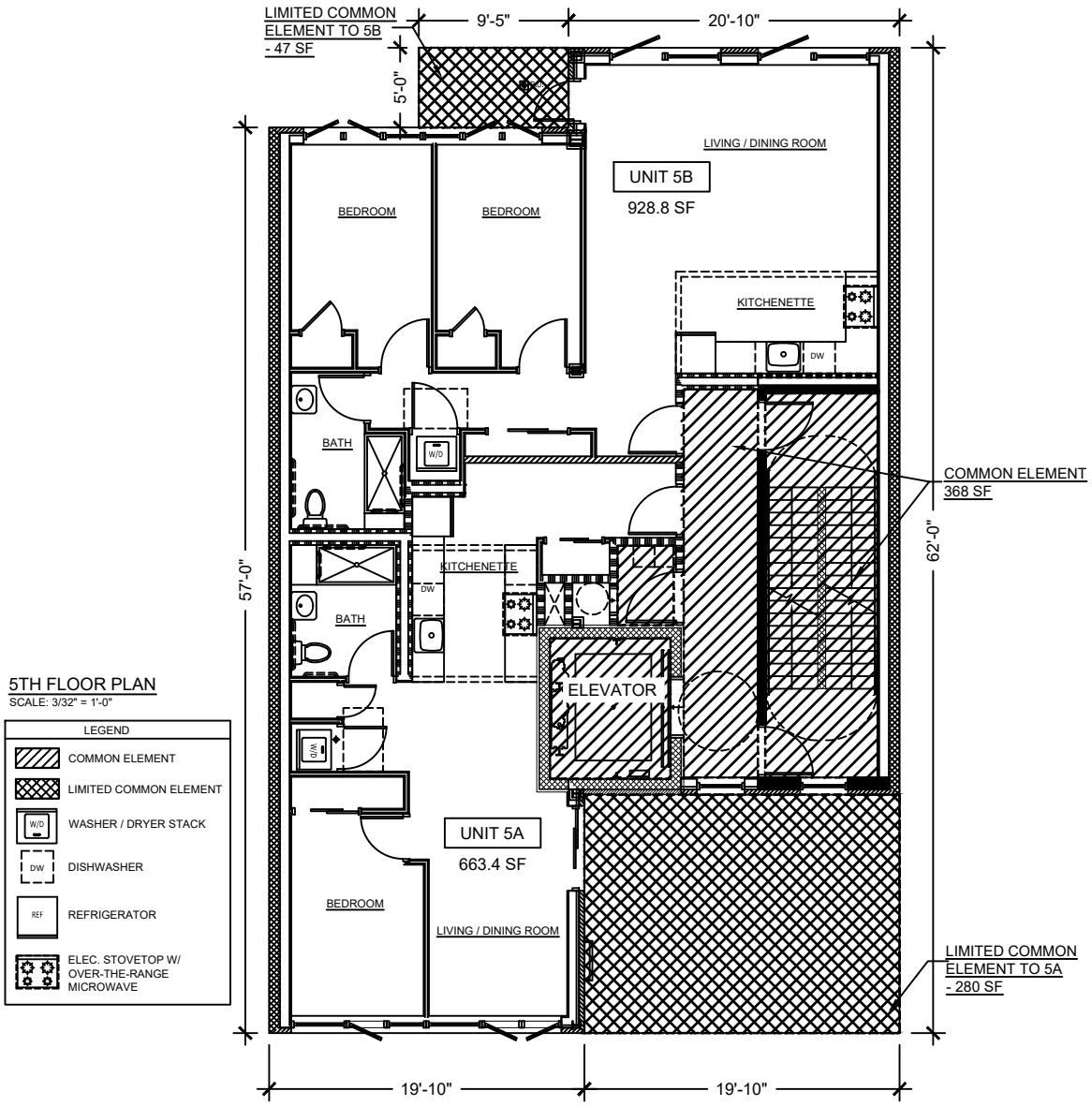
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

4TH FLOOR PLAN



5TH FLOOR PLAN
SCALE: 3/32" = 1'-0"

LEGEND

- COMMON ELEMENT
- LIMITED COMMON ELEMENT
- W/D — WASHER / DRYER STACK
- DW — DISHWASHER
- REF — REFRIGERATOR
- ELEC. STOVETOP W/ OVER-THE-RANGE MICROWAVE

FANG ARCHITECT, P.C.

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TEL: 646.838.4880
FAX: 917.725.8892

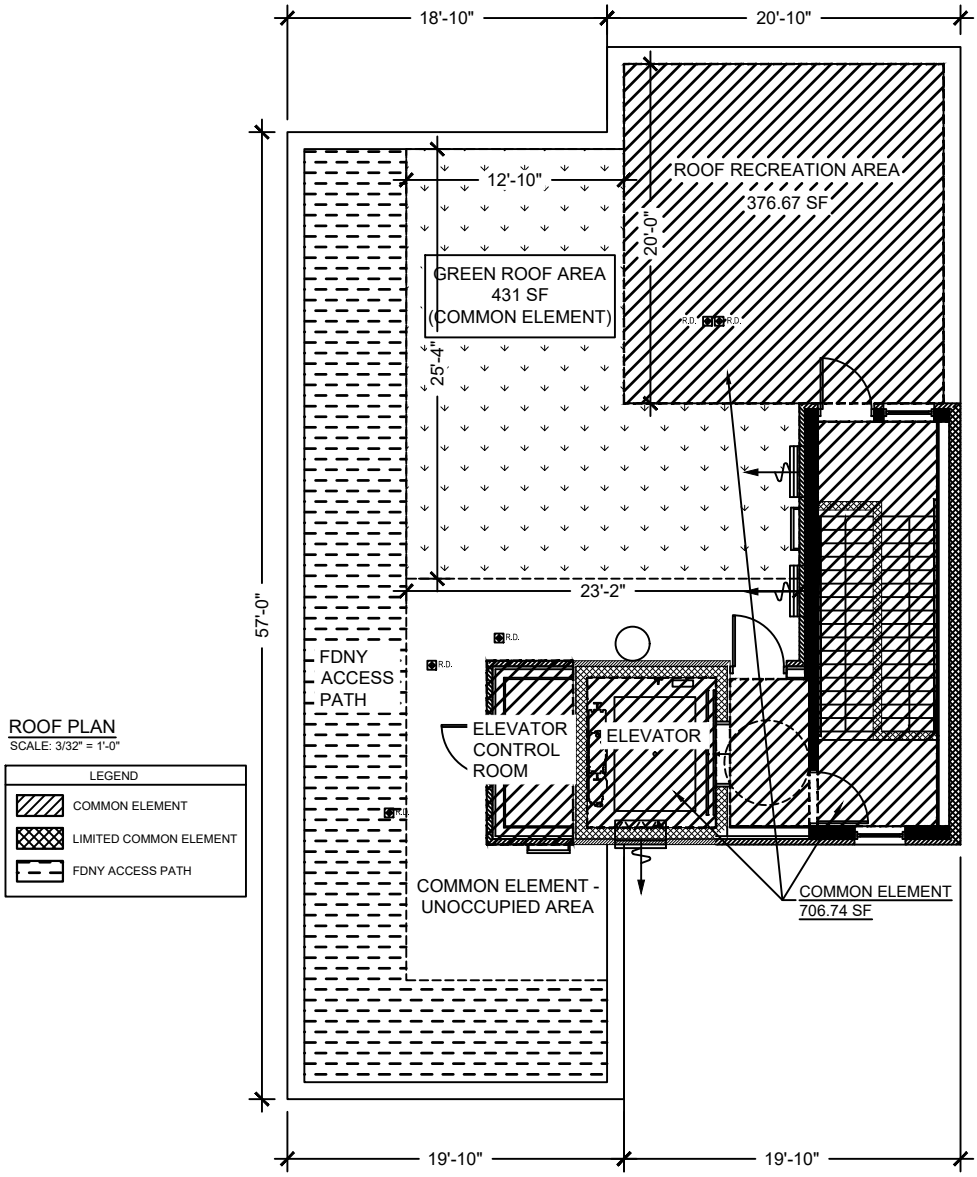
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

5TH FLOOR PLAN



ROOF PLAN
SCALE: 3/32" = 1'-0"

LEGEND
- COMMON ELEMENT
- LIMITED COMMON ELEMENT
- FDNY ACCESS PATH

FANG ARCHITECT, P.C.

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FAX: 917.725.8892

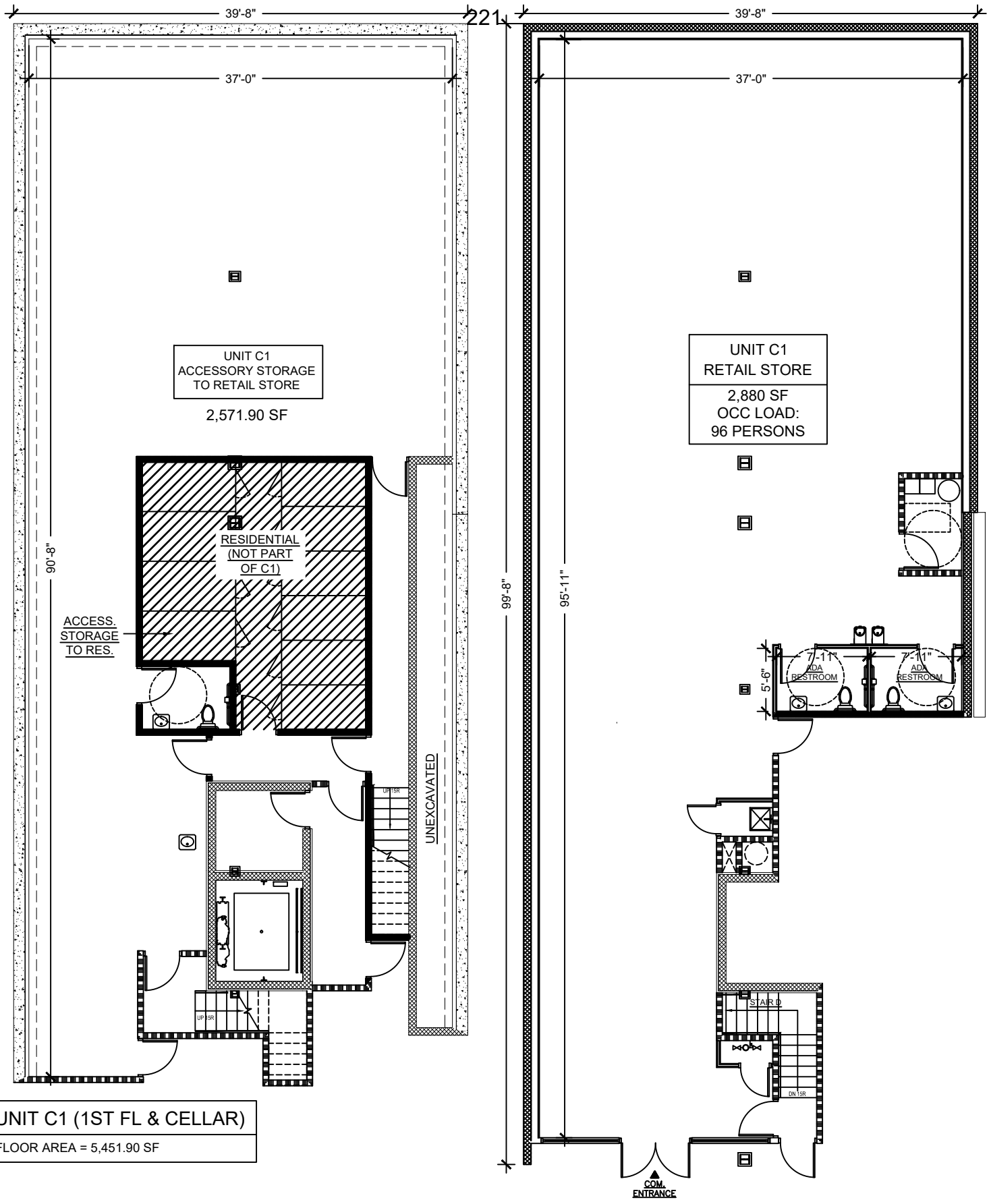
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

ROOF PLAN



UNIT C1 (1ST FL & CELLAR)

FLOOR AREA = 5,451.90 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
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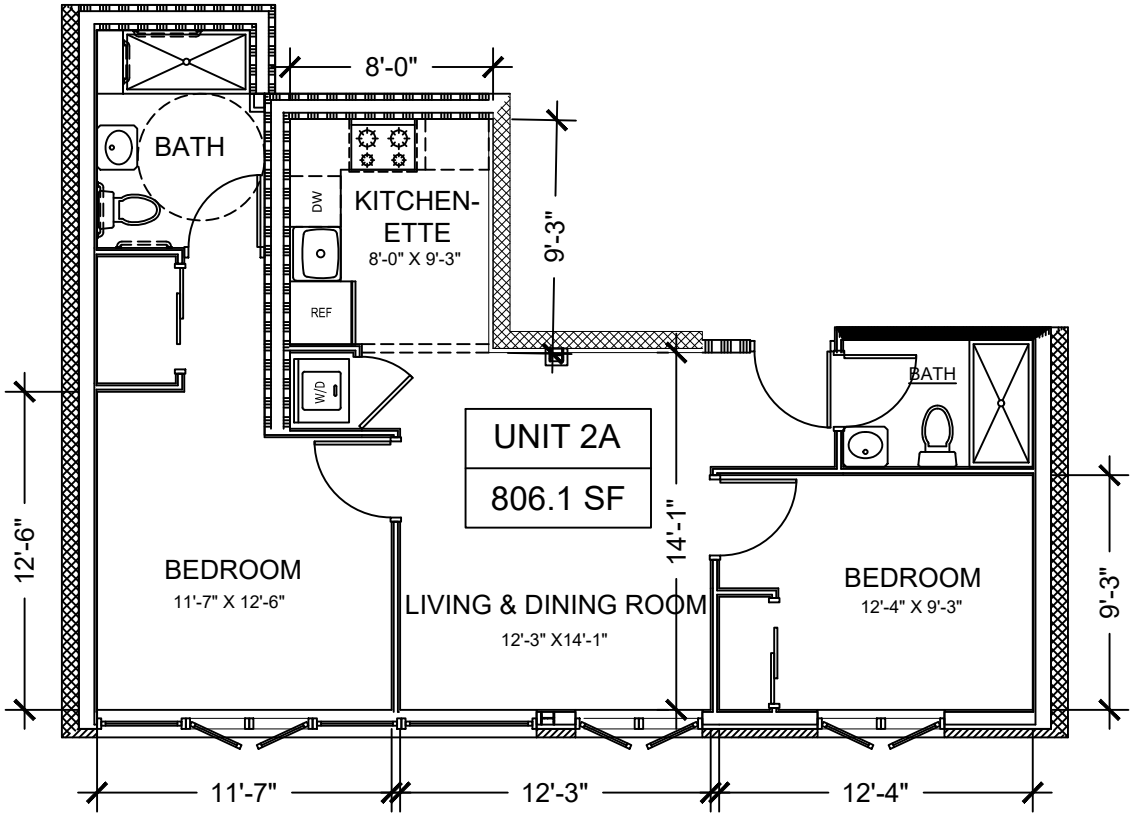
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT C1



UNIT 2A
FLOOR AREA = 806.1 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

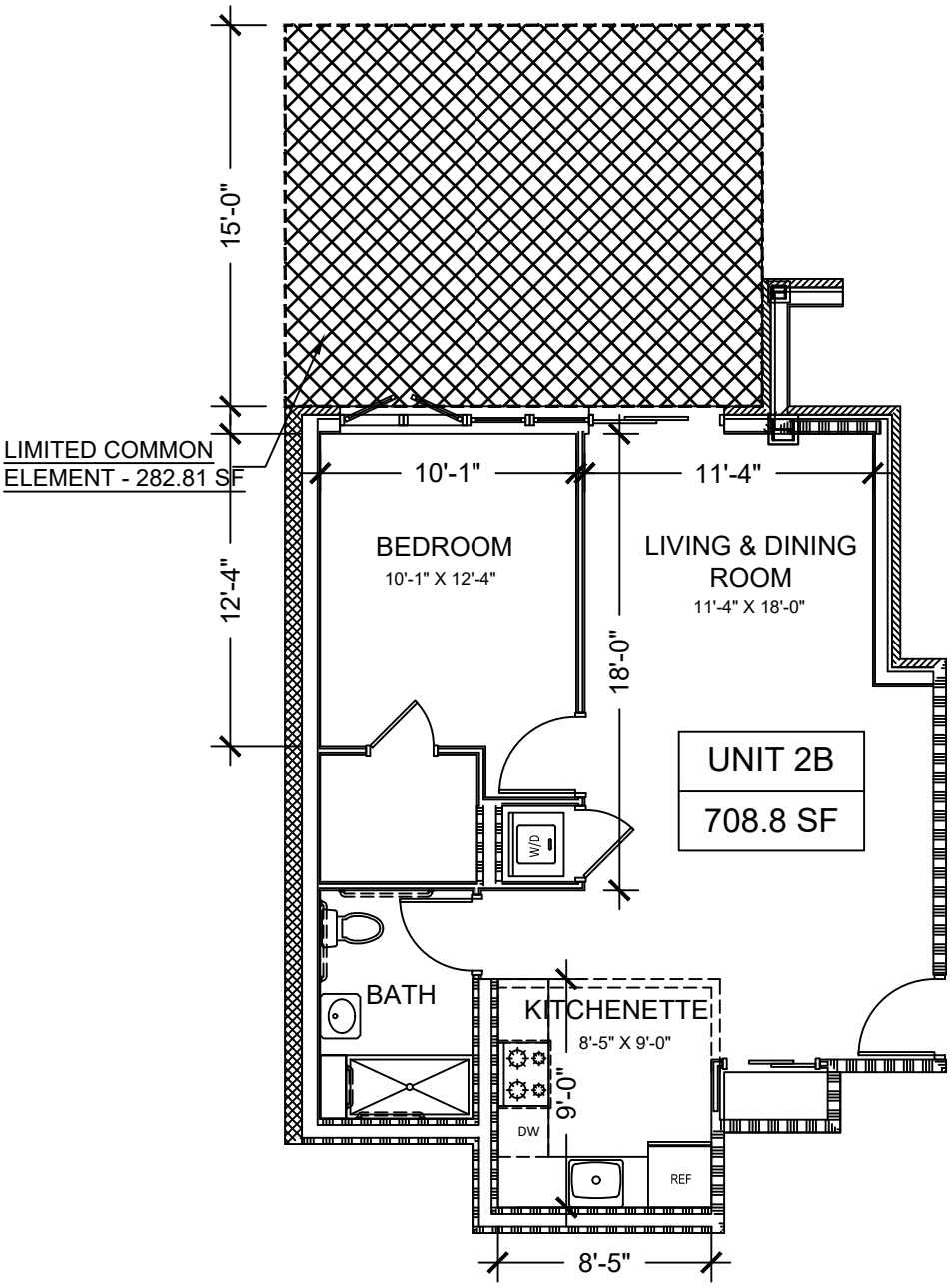
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 2A



UNIT 2B
FLOOR AREA = 708.8 SF LIMITED COMMON ELEMENT = 282.81 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

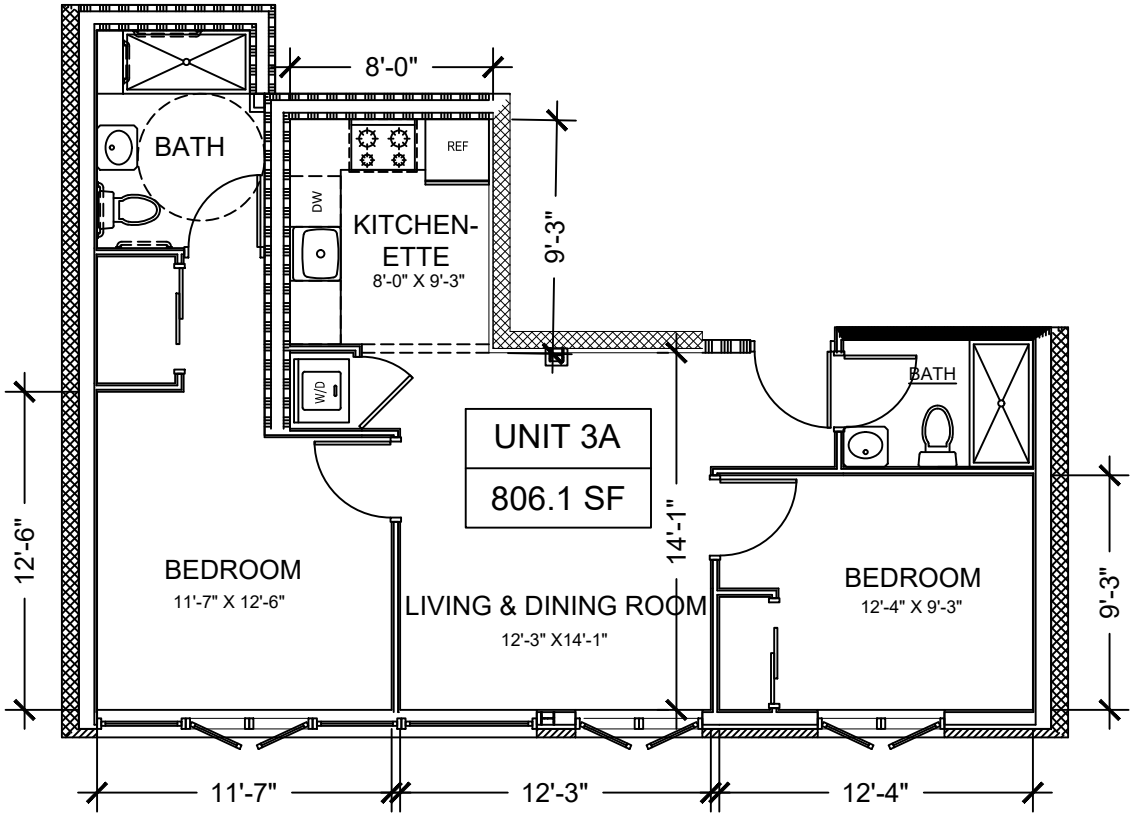
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 2B



UNIT 3A
FLOOR AREA = 806.1 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

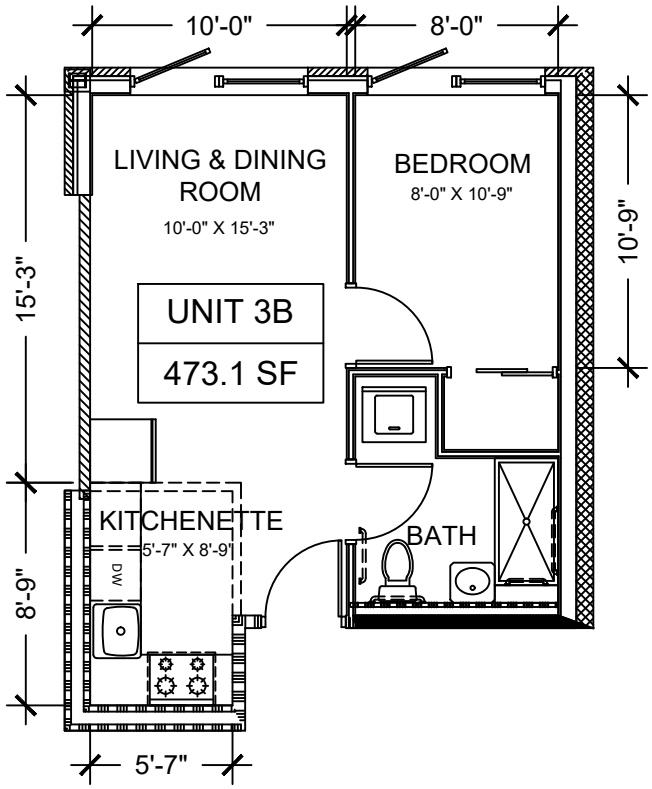
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 3A



UNIT 3B
FLOOR AREA = 473.1 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

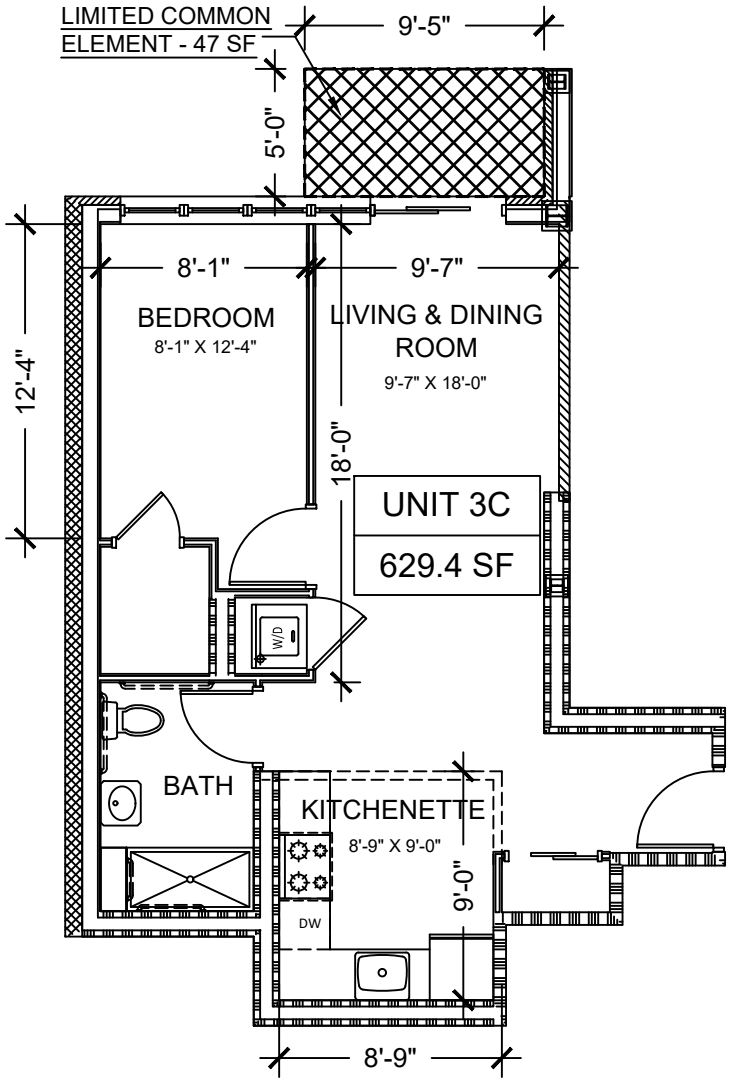
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 3B



UNIT 3C
FLOOR AREA = 629.4 SF LIMITED COMMON ELEMENT = 47 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

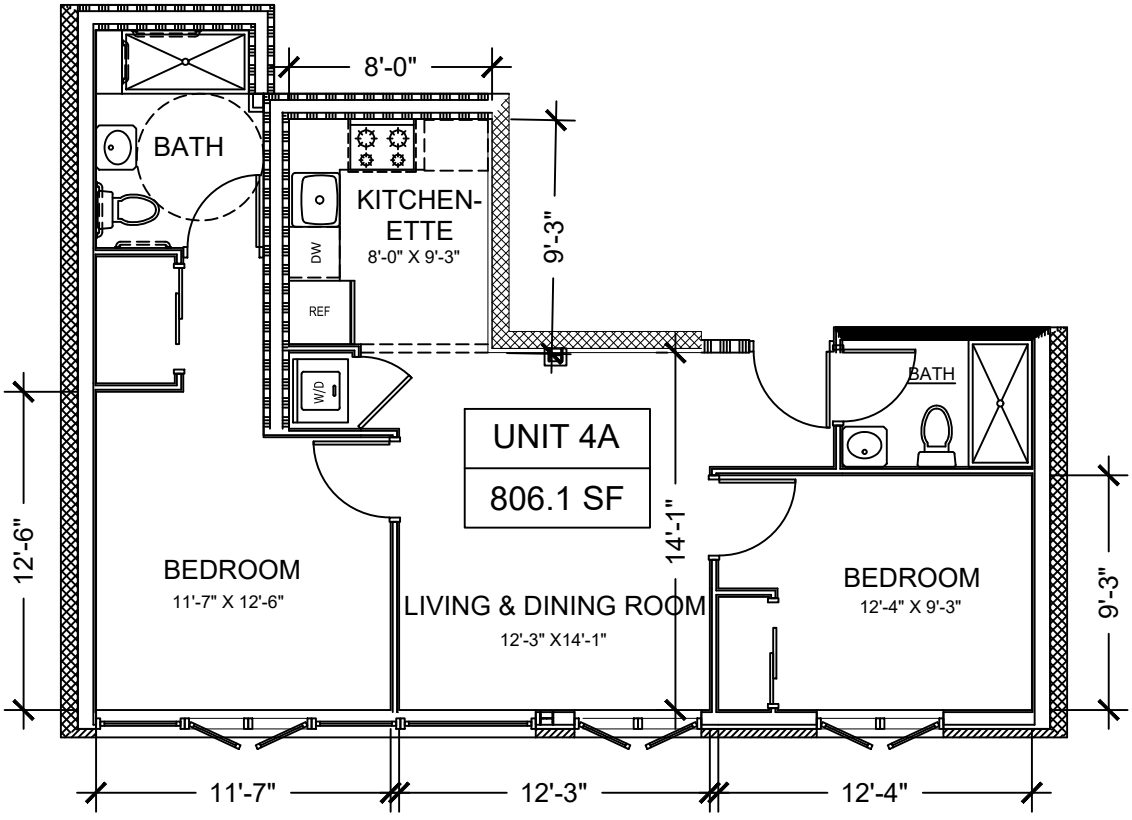
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 3C



UNIT 4A
FLOOR AREA = 806.1 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

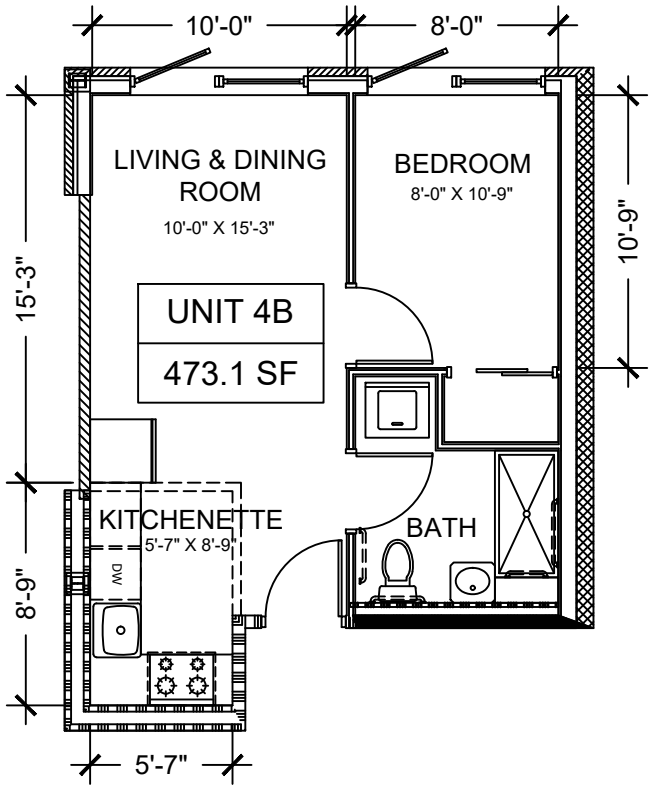
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 4A



UNIT 4B
FLOOR AREA = 473.1 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

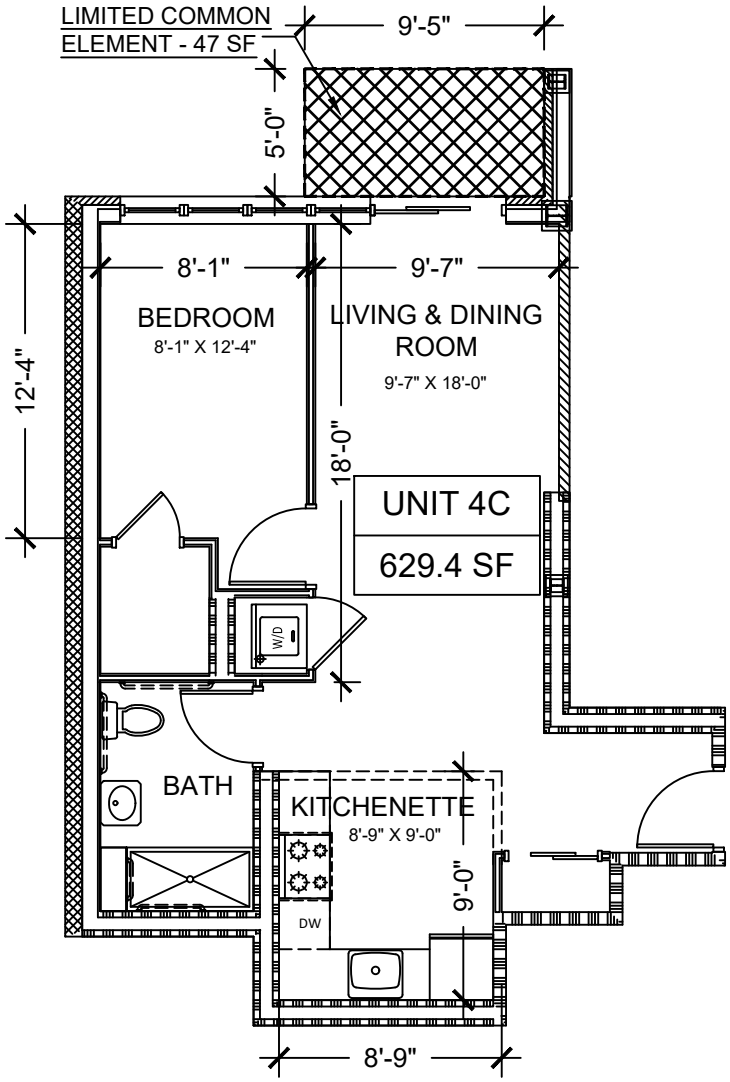
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 4B



UNIT 4C
FLOOR AREA = 629.4 SF LIMITED COMMON ELEMENT = 47 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
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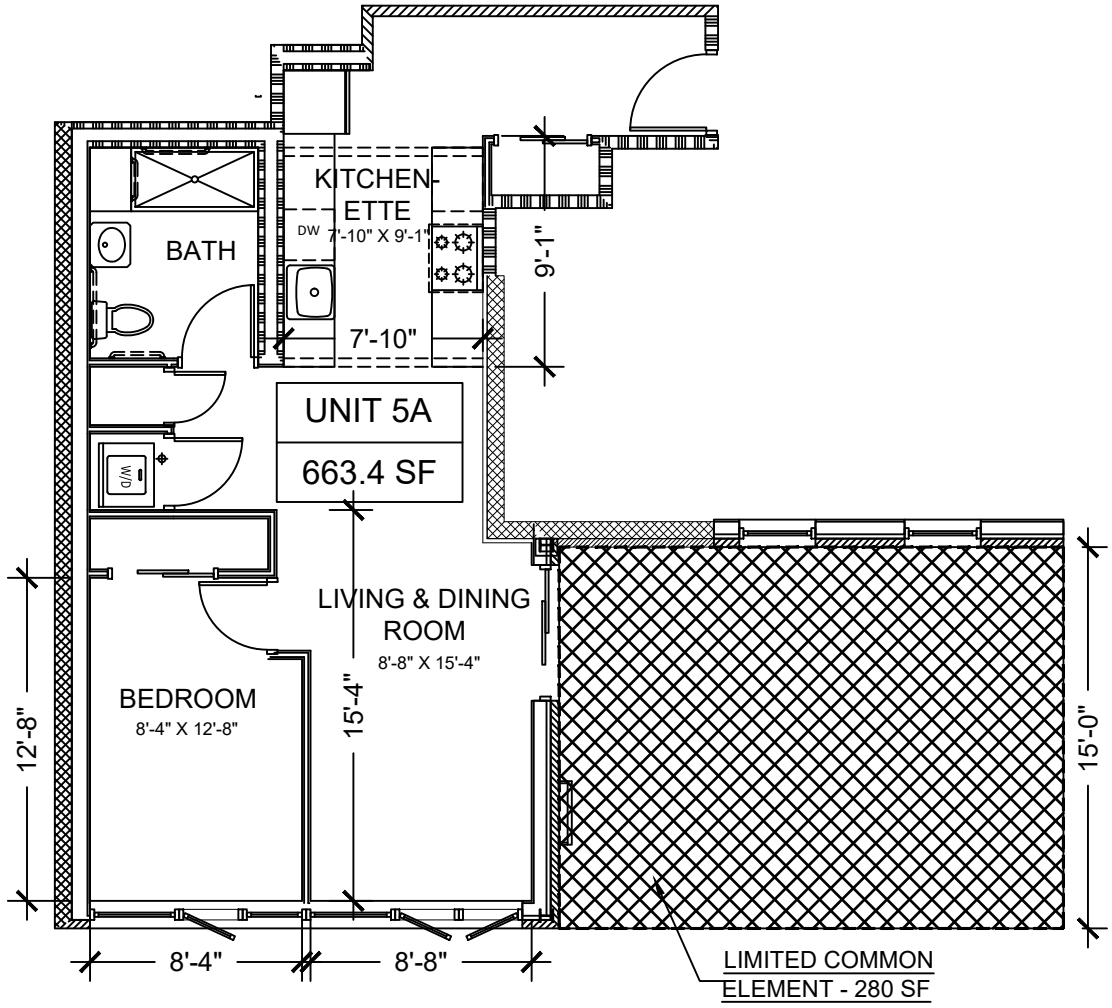
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 4C



UNIT 5A
FLOOR AREA = 663.4 SF LIMITED COMMON ELEMENT = 280 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

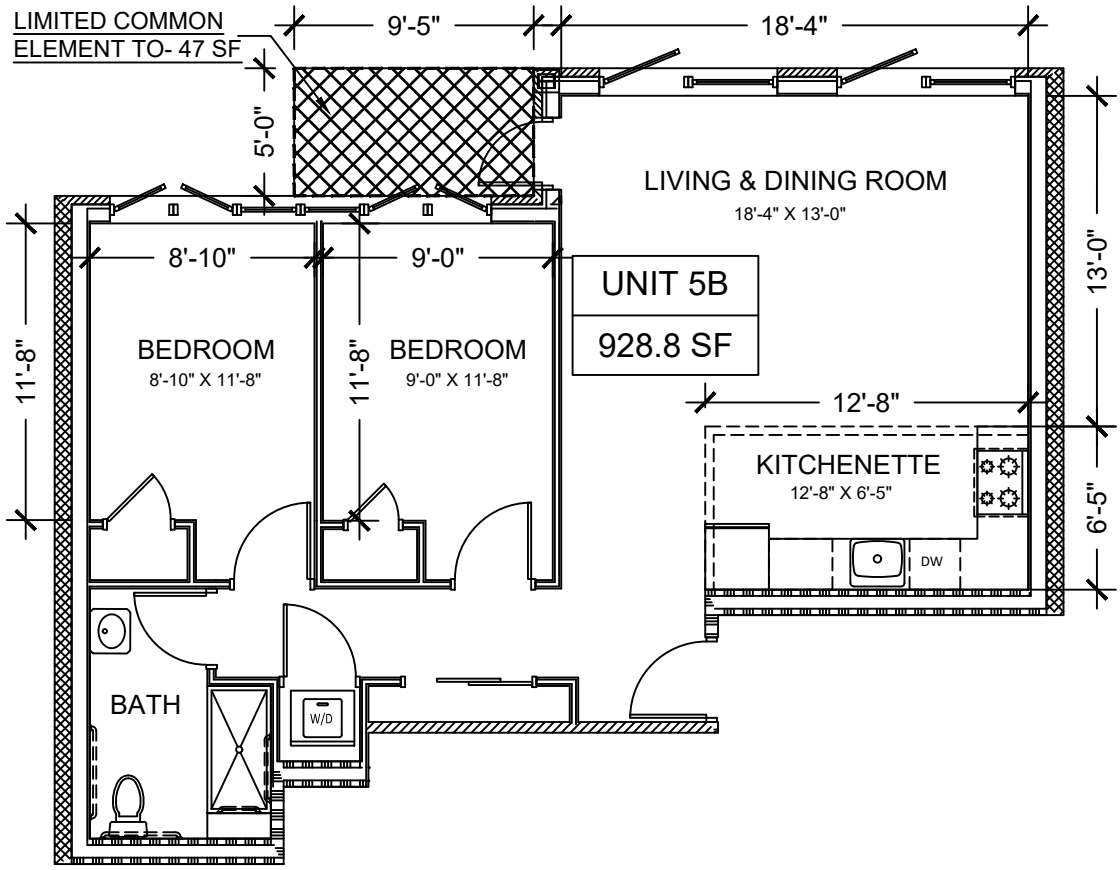
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 5A



UNIT 5B
FLOOR AREA = 928.8 SF LIMITED COMMON ELEMENT = 47 SF

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
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FAX: 917.725.8892

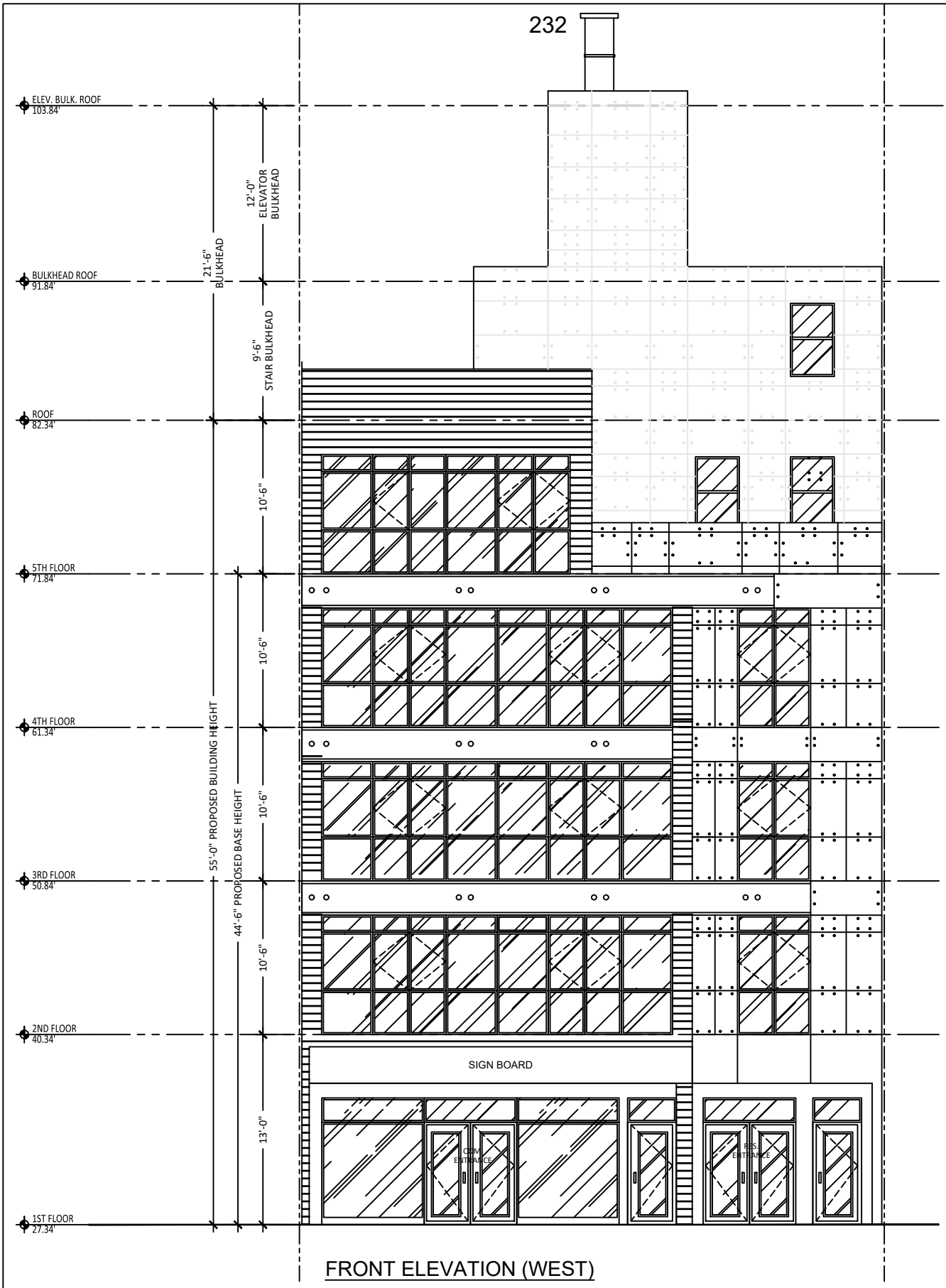
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

UNIT 5B



FRONT ELEVATION (WEST)

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

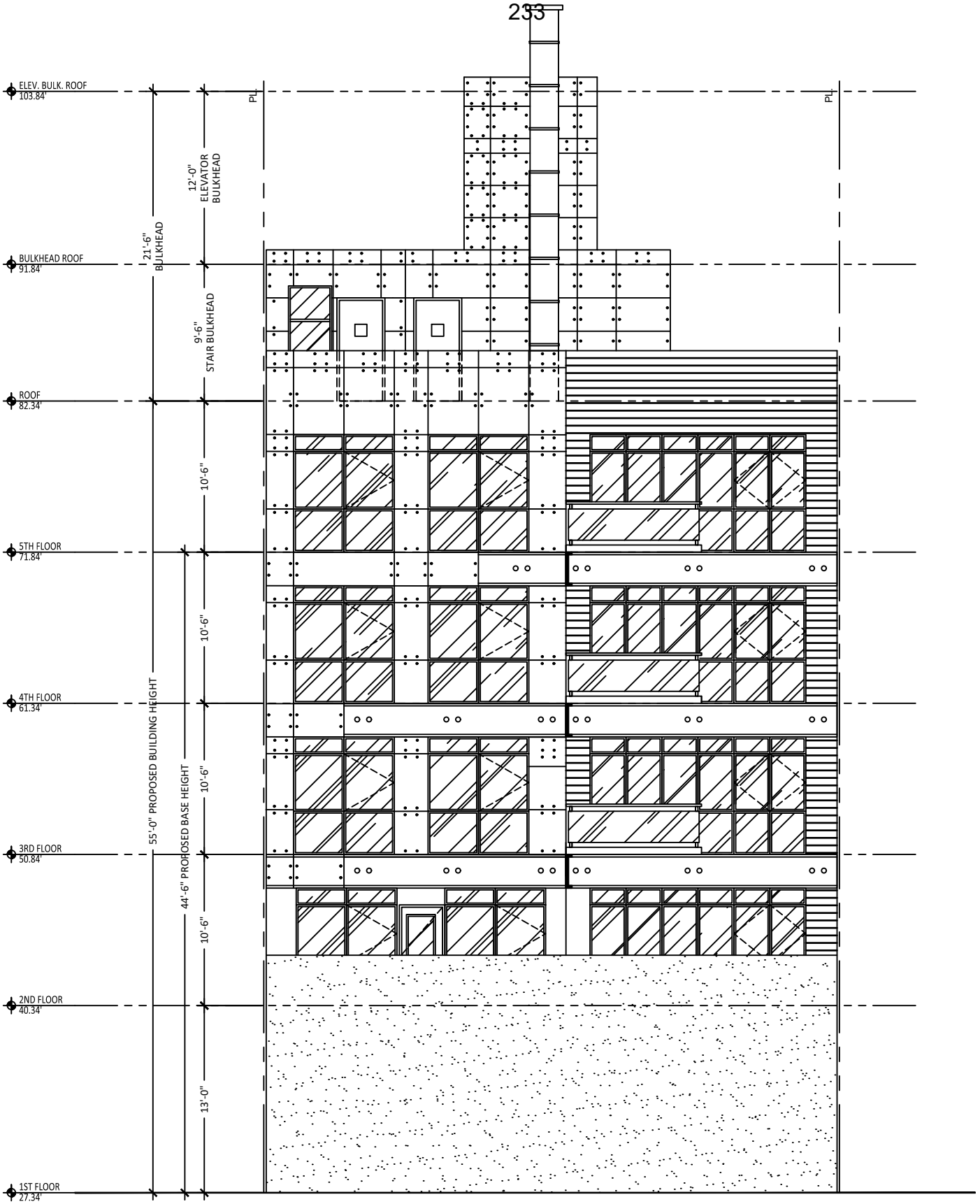
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

FRONT ELEVATION (WEST)



REAR ELEVATION (EAST)

FANG ARCHITECT, P.C.

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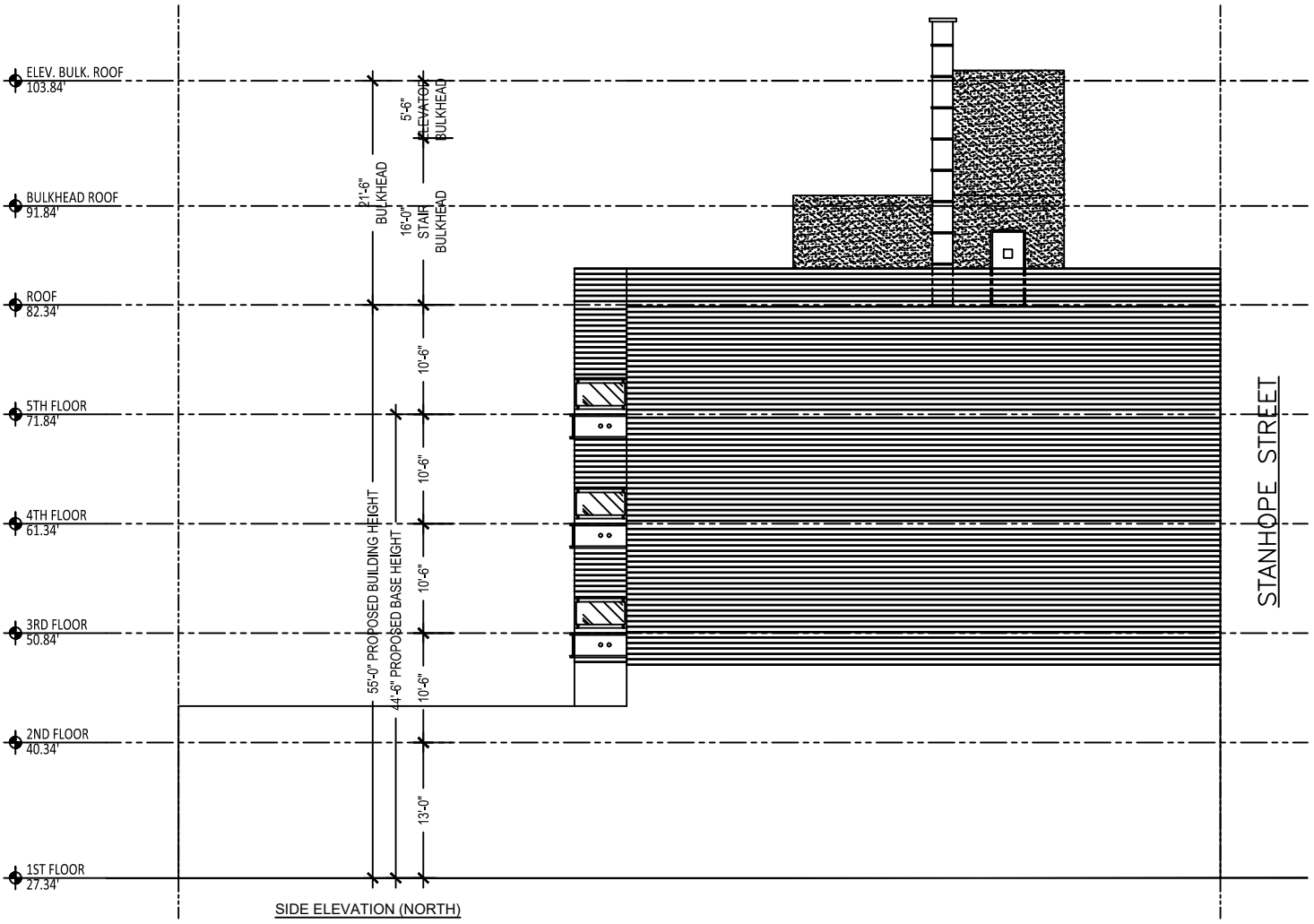
196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

REAR ELEVATION (EAST)



SIDE ELEVATION (NORTH)

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

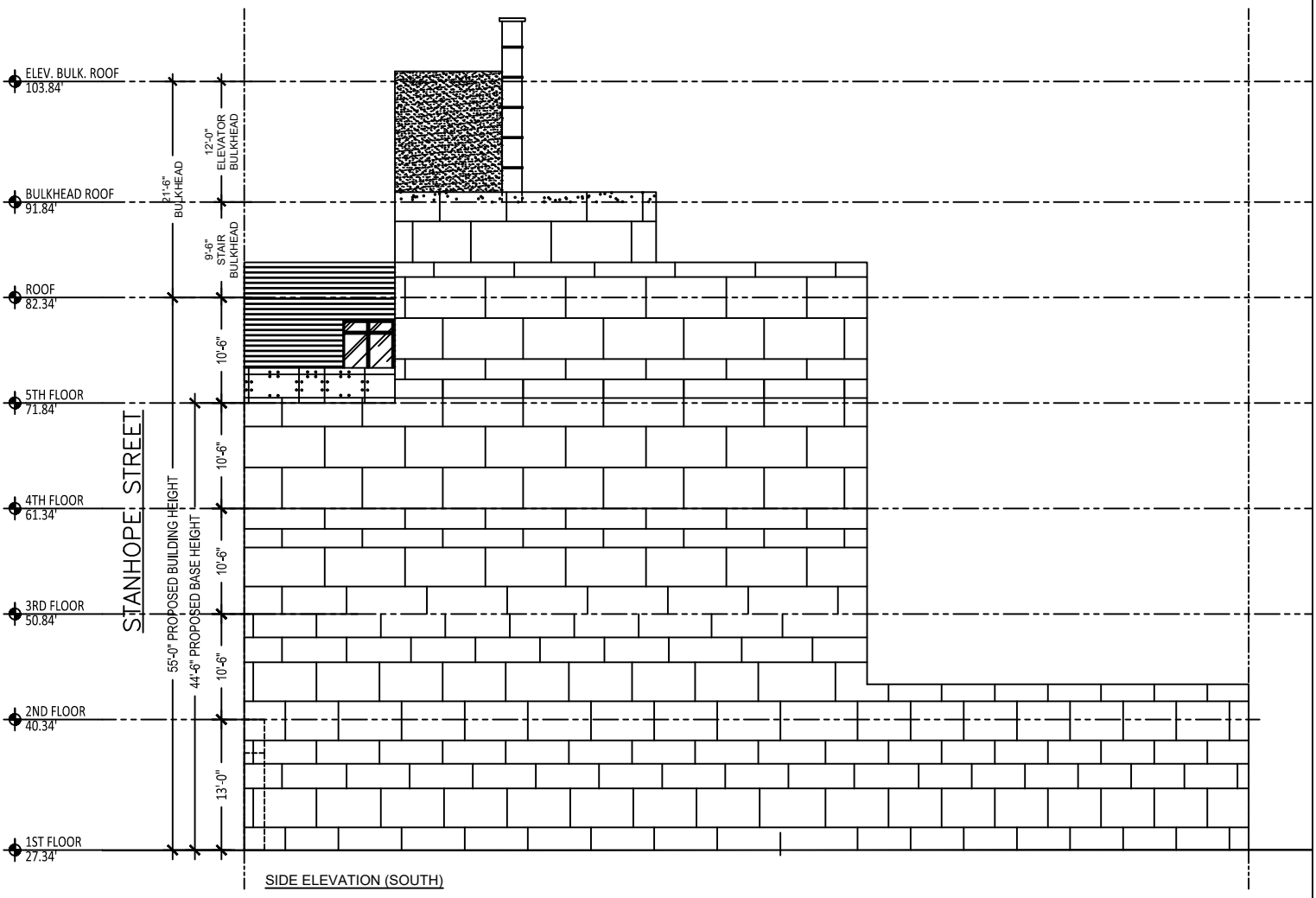
PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

SIDE ELEVATION NORTH



SIDE ELEVATION (SOUTH)

FANG ARCHITECT, P.C.

35-18 LINDEN PL. 2ND FL. FLUSHING NY 11354
TEL: 646.838.4880
FAX: 917.725.8892

PROJECT:

196 STANHOPE ST,
BROOKLYN, NY 11237

DATE ISSUED: 11.04.2025

DRAWING TITLE:

SIDE ELEVATION SOUTH

FEE TITLE DESCRIPTION

A “Unit” as hereinafter referred to shall be defined as follows:

The square footage of a Unit set forth in the floor Plans, Schedule A to the Offering Plan and Schedule B to the Condominium Declaration, are approximate and are based upon the following method of tabulation: Each Unit shall be measured from (I) the exterior face of any exterior walls directly enclosing the Unit (perimeter and mechanical pipes are not deducted) (II) the center line of any wall or partition separating the unit from another Unit; and (III) the outside face of any demising wall or partition separating the Unit from any common areas, mechanical areas, elevator shafts, egress stairs or trash rooms where those elements do not exclusively serve the Unit. Where furring wall or chase space serving the Unit is adjacent to the structural shear wall bounding the egress stair, the area is taken to the inside face of structural shear wall. The approximate floor area of each terrace or balcony has been measured horizontally from the exterior face of any exterior parapet or wall directly enclosing the terrace or balcony to the exterior face of the enclosed space. Any Common Elements located within a Condominium Unit are not considered part of such Condominium Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Unit is substantially less than the area listed in Schedule A.

DECLARATION OF CONDOMINIUM

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED
AT 196 STANHOPE STREET
BROOKLYN, KINGS COUNTY
STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

CONDO #

NAME: STANHOPE FOUNDRY

DECLARANT: STANHOPE REAL ESTATE DEVELOPMENT LLC
28-07 Jackson Avenue
Long Island City, NY 11101

DATE OF DECLARATION:

BLOCK: 3268
FKA LOT: 32
NKA LOTS: [TBD]

Record and Return to:

MORITT HOCK HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

SCHEDULE I

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Exhibit A Legal Description
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PLAN OF CONDOMINIUM OWNERSHIP

DECLARATION OF STANHOPE FOUNDRY
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In Kings County and State of New York, on this ___ day of _____ 202__, Stanhope Real Estate Development LLC, a New York limited liability company, with an address at 28-07 Jackson Ave, 12-138, Long Island City, NY 11101 (the "Declarant" or "Sponsor"), as represented in this Declaration by Guan Shawn Wang, who is fully empowered and qualified to execute this Declaration on behalf of the Declarant, hereby states:

FIRST: SUBMISSION OF PROPERTY

By this Declaration, the Declarant submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY

The Declarant owns that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in Brooklyn, Kings County, New York, being more particularly bounded and described in Exhibit A which is annexed to and made a part of this Declaration.

THIRD: DEFINITIONS

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

1. "Board" or "Board of Managers" – Refers to the Condominium Board of Managers.

2. "Board Member" or "Member" – Each individual representative elected, designated or appointed to the Board of Managers.

3. "Building" - The one (1) building, which includes the Residential Units, the Commercial Unit and the Common Elements.

4. "By-Laws" – The document governing the operation of the Condominium.

5. "Common Charges" – Each Unit Owner's proportionate share of Common Expenses of the Condominium.

If applicable, Common Charges may be adjusted based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. In accordance with Section 339-bb of the Real Property Law the Commercial Unit may be allocated a greater amount of the insurance premium for the Condominium if the increased cost of the insurance is a result of the use or existence of the Commercial Unit.

6. "Common Elements" – All portions of the Condominium, other than the Units. The Common Elements are divided as follows:

   (a) "General Common Elements" are Common Elements which are shared by all Unit Owners.

   (b) "Limited Common Elements" are Common Elements which are for the exclusive use of an Individual Unit Owner.

   (c) "Residential Restricted Common Elements" are Common Elements which are for the exclusive use of all Residential Unit Owners.

7. "Common Expenses" – (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements, Limited Common Elements and Residential Restricted Common Elements; and (b) all sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

8. "Common Interest" – The proportionate, undivided interest each Unit Owner has in the Common Elements.

9. "Community" or "Development" – As used herein is equivalent in meaning to the term "Condominium" as same is used in Article 9-B of the Real Property Law.

10. "Condominium" – Stanhope Foundry, which includes the Unit Owners, the Units and the Common Elements.

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

12. "Limited Common Elements" – A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such

Unit or Units. Limited Common Elements may also be referred to as an Irrevocably Restricted Common Element.

13. "Officers" – The Officers of the Condominium elected or designated by the Boards of Managers.

14. "Residential Area" – The areas of the Buildings containing the Residential Units, Residential Restricted Common Elements and Limited Common Elements.

15. "Sponsor" or "Declarant" – Stanhope Real Estate Development LLC, a New York limited liability company and its successors, assigns and designees.

16. "Storage Locker" – one (1) of the ten (10) individual storage lockers located in the cellar.

17. "Storage Locker License" – the revocable license agreement between Sponsor and Purchaser for the exclusive use of one (1) of the ten (10) individual Storage Lockers.

18. "Unit" – A Unit includes all the Units in the Condominium. The Units are divided as follows:

    (a) "Commercial Unit" – The Unit designated as a Commercial Unit in the Declaration of Condominium, which may be used for any lawful purpose, including without limitation, for retail purposes.

    (b) "Residential Units" – The Units designated in the Declaration of Condominium for residential use.

19. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium. Unit Owners are described as follows:

    (a) "Residential Unit Owner" – The Owner of a Residential Unit.

    (b) "Commercial Unit Owner" – The Owner of the Commercial Unit.

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

FOURTH: COMMUNITY. The Declarant is constructing on the parcel of land described above a Condominium Community known as Stanhope Foundry, according to the plans, prepared by Fang Architect P.C., 35-18 Linden Pl. 2nd Fl., Flushing, NY 11354, filed simultaneously with the recording of this Declaration in the Office of the Register of

the City of New York, Kings County, which Plans set forth a description of the Building stating the number of stories and number of Units.

The Condominium will consist of ten (10) Residential Units (the "Residential Units"), one (1) Commercial Unit located and ten (10) Storage Lockers in a five (5) story building as set forth on the floor plans filed simultaneously with this Declaration. The Building structure will be masonry, steel and concrete. Each of the Units has access to a public street by means of a walk, driveway or roadway. For the purposes of describing the location of a Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership in, and exclusive right of occupancy and possession of, the Unit, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. Each Unit Owner will automatically become a part of the Condominium. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Declarant and the Unit Owner at the time of construction of the Unit.

Each Unit shall be measured horizontally from the exterior side of the exterior walls or property line of any party wall to the centerline of the partitions separating one Unit from another Unit or separating one Unit from any Common Element or to the Unit side of the opposite exterior walls. Each Unit shall consist of the area measured vertically from the finished floor of the Units to the underside if the highest ceiling of the Units. However, any Common Element located within a Unit shall not be considered to be a part of that Unit, and all exterior spaces which are a part of a Unit are not included in the square footage count.

The aforesaid Condominium has a total lot area of approximately 4,000 square feet.

FIFTH: COMMON ELEMENTS. The Common Elements will consist of the entire property, including all parts of the Building and improvements thereon, other than the Units, and will consist of General Common Elements to be shared by all Unit Owners and Limited Common Elements irrevocably restricted in use to specified Unit Owners.

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

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

2. The roofs of the Building, excluding Limited Common Elements;

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

4. All stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which service the entire Condominium.

5. All improved and unimproved areas of the Condominium located outside the boundaries of the Units;

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

7. All sewer pipes and drainage pipes and facilities that service the entire Condominium;

8. All mechanical equipment, trash rooms, utility meters, storage areas, if applicable, that service the entire Condominium;

9. Any heating, cooling or other mechanical system located in the Common Elements servicing the entire Condominium;

10. The elevator servicing the entire Condominium;

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

B. Restricted/Limited Common Elements – Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Boards of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or the Common Elements and subject to the Rules and Regulations of the Board. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. The following are descriptions of the irrevocable restricted Limited Common Elements:

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

(a) Any portion of the roofs that service only the Residential Area of the Condominium;

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

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

(d) All stairs, stairways, common hallways which are not located wholly within a Residential Unit and entrances and exits to and from the Condominium other than entrances to the individual Residential Units which service solely the Residential Area of the Building;

(e) All improved and unimproved areas of the Condominium located outside the boundaries of the Residential Units that service the Residential Area of the Condominium;

(f) All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that service only the Residential Area of the Condominium;

(g) All sewer pipes and drainage pipes and facilities that service only the Residential Area of the Condominium;

(h) All mechanical equipment, mechanical and equipment rooms, trash rooms, utility meters, utility rooms, meter rooms, storage areas, if applicable, that service only the Residential Area of the Condominium;

(i) Any heating, cooling or other mechanical system located in the Common Elements servicing only the Residential Area of the Condominium;

(j) Any intercom system and/or security cameras that service the Residential Units exclusively;

(k) The residential lobby;

(l) The indoor gym;

(m) The cellar restroom;

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

The Residential Restricted Common Elements servicing the Residential Units shall be maintained, repaired and replaced by the Residential Unit Owners. The cost of any such maintenance, repair and/or replacement shall be allocated to all Residential Unit Owners based upon their Residential Percentage of Common Interest, as set forth in Schedule B-1 to the Declaration. Although the cost of repairs and replacements to Residential Restricted Common Elements shall be borne by the Residential Unit Owners, the Board shall be charged with performing all maintenance, repairs and replacements. Notwithstanding the foregoing, the cost for maintenance, repair and/or replacement of Residential Restricted Common Elements that are part of the structural components serving the entire Condominium will be borne by all Unit Owners according to their percentage of Common Interest in the Condominium.

2. Limited Common Elements – Residential Unit Limited Common Elements are irrevocably restricted in use to a specific Unit or specific Units. The following are descriptions of irrevocable Limited Common Elements:

a. Any balcony or terrace appurtenant to a Residential Unit;

b. Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements; and

c. All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Residential Unit exclusively.

All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balconies or terraces), shall be the responsibility of the Unit Owner whose balcony or terrace is a Limited Common Element of their Unit. Although the cost of repairs and replacements to Limited Common Element shall be borne by the Individual Unit

Owner, the Board shall be charged with performing all repairs and replacements at the Unit Owners sole cost and expense.

C. Provisions Applicable to the Commercial Unit

Certain Common Elements, as detailed below in items 1. and 2., which service the Commercial Unit, shall be maintained, repaired and replaced by the Condominium Board and the cost of any such maintenance, repair and/or replacement, shall be allocated to the Commercial Unit Owner.

1. The exterior entryways and doors that are used to access the Commercial Unit; and

2. The water, electrical meter, and hot water heater servicing only the Commercial Unit.

D. Provisions Applicable to All Common Elements

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

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

3. The percentage of the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

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

SIXTH: EASEMENTS. All pipes and maintained wires, conduits and public utility lines located within each Unit shall be owned and maintained by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements and servicing two or more Units, will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit. The cost of such repairs shall be a Common

Expense. In the event any portion of such pipes, wires, conduits and public utility lines is located in any of the Limited Common Elements, the cost of any repairs to such pipes, wires, conduits and public utility lines shall be the sole responsibility of the respective Unit Owner(s) for whom the Limited Common Element is limited in use. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to or upon any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing construction and sale of the Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of mechanical systems, lines and appurtenances for public or private water, sewer, drainage, cable television, solar energy panels and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Elements. The Declarant, its successors and assigns, and purchasers of undeveloped or unsold Units, shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Property to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Declarant’s rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Declarant, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units, signs located on the Common Elements, in its efforts to market or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant.

Each Unit Owner hereby grants a right of access to and through their Unit to Declarant or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements and/or the Units.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Building.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacement thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Declarant, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Declarant's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, visitors, tenants, subtenants, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Declarant, the Unit Owner or Board of Managers.

Each Unit Owner will have a right and easement to use its Unit and the Limited Common Elements appurtenant to such Unit, and the General Common Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical shall be granted an easement of ingress and egress over, upon and through any access areas in Stanhope Foundry. This Paragraph may not be amended by the Unit Owners in the Condominium.

SEVENTH: SERVICE OF PROCESS: Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: Stanhope Real Estate Development LLC, a New York limited liability company, with an address of 28-07 Jackson Ave, 12-138, Long Island City, NY 11101. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent of this Condominium is: Board of Managers, Stanhope Foundry, 196 Stanhope Street, Brooklyn, New York 11237 or such other address as the Board of Managers of the Condominium selects.

EIGHTH: COMMON INTEREST. Each Unit Owner shall have such percentage of interest in the Common Elements as is set forth in Schedule B attached hereto and shall bear such percentage of the Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION. The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit “B”.

TENTH: AMENDMENTS AND WITHDRAWAL.

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in Common Interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

1. No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

2. No amendment shall be passed which shall: (i) be of a material adverse nature to mortgagees, or (ii) impair of prejudice the validity, interest, rights and priorities of mortgagees; unless 51% of mortgagees vote in favor thereto.

3. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Declarant or its designee or any Unsold Unit, as long as the Declarant owns an Unsold Unit in the Condominium unless the Declarant has given its prior written consent thereto. This provision is not subject to amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

In the event a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after proper notice of the same was delivered by certified or registered mail, with a return receipt requested, said mortgagees' consent to such amendment will be implied.

C. The Declarant, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, Kings County and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant percentage of Common Interest does not change for said Unit, or (v) to amend Schedule B of this Declaration to consolidate Units subject to all necessary approvals by the City of New York, to revise the square footage and type and number of

rooms and any other required information for a specified Unit and to change the appurtenant percentage of Common Interest so long as the new percentage of Common Interest equals the combined percentage of Common Interest of the Units that were combined, or (vi) to effectuate permissible changes in unsold Units or (vii) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (viii) the carrying out of other provisions of the Offering Plan of Stanhope Foundry.

D. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Register of the City of New York, Kings County.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC. All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of use or occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: COMMON CHARGES. All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his or her Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the Unit shall not be

subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term “institutional mortgage” herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

In addition to the Board’s right to bring an action to foreclose a lien on a Unit Owner’s Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all cost of suit including reasonable attorneys’ fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339 x of the Real Property Law or in accordance with the provisions of this Declaration and the By Laws.

THIRTEENTH: UNITS ACQUIRED BY THE BOARD. In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

FOURTEENTH: POWER OF ATTORNEY. In order to carry out the provisions of Article Thirteenth of the Declaration and Article XI of the By-Laws, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit acquired by the Board of Managers under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper. Each Unit Owner shall upon becoming a Unit Owner further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Unit Owner’s Condominium Unit including but not limited to, the right to seek an eviction in a

court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium.

FIFTEENTH: ENCROACHMENTS. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforedescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: UNIT OWNERSHIP. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason. Occupancy of the Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

SEVENTEENTH: USE OF UNITS. Occupancy and Use of the Units shall be restricted to in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Community.

EIGHTEENTH: CONVEYANCE OF A UNIT. In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

NINETEENTH: COVENANT OF FURTHER ASSURANCES. Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, or otherwise, shall, 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.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Limited Common Elements, however described, the General Common Elements or the Building. In the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Element, the General Common Elements or the Building, the Condominium Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within 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 additional notice to the 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 Board of Managers send a Remedy Notice. If the Board of Managers fails or otherwise determines not to send the Remedy Notice, the Unit Owner will have all rights to enjoin, abate or remedy by appropriate legal proceedings against the other Unit Owner or the Board of Managers, 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.

The Board of Managers will not promulgate and/or enforce any rules or regulations, or otherwise act, in a discriminatory manner.

TWENTIETH: COVENANTS AND RESTRICTIONS. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

(a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.

(b) No alteration, addition, decoration or change to any part of the Common Elements may be made and no structure or other improvement may be built or placed on any portion of the Common Elements or Limited Common Elements or any portion of the Condominium which affects two (2) or more Units, without the written consent of the Board of Managers. The provisions of this paragraph shall not apply to Declarant.

(c) No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Units, without the prior written approval of the Board of Managers. In addition, no Residential Unit Owner may alter or remove any interior wall without written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of

Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element shall be completed by Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

In the event a Residential Unit Owner violates this provision of the Declaration, the Board of Managers, in addition to all remedies it may have under this Declaration and the By-Laws, may institute legal action against the Residential Unit Owner for the enforcement of this provision. In such an event the Residential Unit Owner shall be responsible for the payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit, as well as all costs associated with remedying the violation.

These provisions shall not apply to Units owned by the Declarant or its designee until such Units shall have been initially conveyed by the Declarant or such designee to an unrelated, third party.

(d) A Commercial Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Commercial Unit, or any Limited Common Element for their exclusive use, without the prior written approval of the either the Board of Managers or Board of Managers. The Commercial Unit Owner must obtain all approvals, as necessary, from the City of New York or any other governmental agency. The Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to the Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural

addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of the Commercial Unit Owner, the Board of Managers will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The Commercial Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Unit which are permitted by law. No rules affecting the operation of the Commercial Unit maybe adopted or modified by the Board of Managers or Board of Managers without the consent of the Commercial Unit Owner.

Notwithstanding the foregoing, the Commercial Unit Owner, its successors, assignees and/or designees, shall be required to comply with any Condominium construction and/or improvement guidelines promulgated by the Board of Managers.

(e) Any interior alterations or improvements made to a Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(f) Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of the mortgagee.

(g) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(h) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(i) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(j) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(k) The Common Charges shall be paid when due.

(l) The Condominium will contain a common storage room, which shall be divided into ten (10) individual storage lockers (the "Storage Lockers"); each room shall be sold by Sponsor/Declarant pursuant to revocable license agreements ("Storage Locker License Agreement"), on a first come first served basis. Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Licensees of Storage Locker Licenses may only convey their Storage Lockers to current or future Residential Unit Owners. The Storage Lockers are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Lockers are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Declarant still retains unsold Storage Locker licenses, the Declarant shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Declarant has sold all Units in the Condominium.

TWENTY-FIRST: FIRST LIEN HOLDERS' RIGHTS

(a) Notices of Action. A holder, insurer or guarantor of a first mortgage shall be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the general or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days; and

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(6) Any proposed action that requires the consent of a specified percentage of mortgagees.

(b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated, is obtained;

(2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated; and

(3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Units to which at least eighty (80%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated.

As used in this section, the term “eligible holder, insurer or guarantor” shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium.

In the event a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after proper notice of the same was delivered by certified or registered mail, with a return receipt requested, said mortgagees consent to such amendment will be implied.

TWENTY-SECOND: SPECIAL RIGHTS OF DECLARANT.

Notwithstanding anything to the contrary contained herein Declarant, its successors, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

(a) have its employees, contractors, subcontractors and sales agents present on the properties described in Exhibit “A” and any Building erected thereon;

(b) erect and maintain signs and other promotional materials (including, without limitation, “For Sale”, and “For Rent” signs), in connection with the promotion, sale, leasing, management, or operation of the Units;

(c) use any one or more Units as;

(i) model Units,
(ii) offices for the promotion, sale, rental, management and/or operation of any unsold Units,
(iii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or
(iv) for any other purpose;

(d) do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

(i) the promotion, sale, rental, management and/or operation of any unsold Units,
(ii) the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or
(iii) the exercise performance and discharge of Declarant’s other rights and obligations under this Declaration, the By-Laws or the rules and regulations;

(e) make any other changes required by the City of New York or other Municipal Agency.

(f) While Declarant still retains unsold Storage Locker licenses, the Declarant shall be permitted to continue to sell or lease the Storage Locker licenses and retain the proceeds from the sale or lease of same, even if Declarant has sold all Units in the Condominium. Declarant and owners of the Storage Locker licenses will be responsible for the costs and expenses associated with the maintenance of the sold and unsold Storage Locker licenses.

In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Second may not be amended without the written consent of the Declarant, or its successors or assigns.

[REMAINDER LEFT INTENTIONALLY BLANK]

TWENTY-THIRD: INVALIDITY.

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

STANHOPE REAL ESTATE DEVELOPMENT LLC
By: Stanhope Development LLC,
Managing Member

Date:

By: _____
Name: Guan Shawn Wang
Title: General Member

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

On this ____ day of _____, in the year 202_____, before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
Notary Public

SCHEDULE B

TO BE COMPLETED PRIOR TO RECORDING DECLARATION

SCHEDULE B-1

To BE INSERTED PRIOR TO RECORDING DECLARATION

SCHEDULE B-1

Residential and Non-Residential Percentage of Common Interest

Unit	Residential Percentage of Common Interest
2A	11.6424%
2B	10.2412%
3A	11.6424%
3B	6.8323%
3C	9.0857%
4A	11.6424%
4B	6.8323%
4C	9.0857%
5A	9.5768%
5B	13.4188%

Unit	Non-Residential Percentage of Common Interest
C1	100.0000%

SCHEDULE B-2

Special Allocation Of Common Charges

TO BE INSERTED PRIOR TO RECORDING THE DECLARATION

Schedule B-2

Expenses	Method of Allocation	Residential	Commercial
LABOR	Special Allocation by Usage	90%	10%
GAS	N/A	0%	0%
ELECTRICITY	Special Allocation by Usage	57.30%	42.70%
WATER CHARGES AND SEWER RENTS	Special Allocation by Usage	100%	0%
REPAIRS AND SUPPLIES	Special Allocation by Usage	100%	0%
SERVICE CONTRACTS	Special Allocation by Usage	57.30%	42.70%
INSURANCE	Special Allocation by Usage	57.30%	42.70%
MANAGEMENT FEES	Special Allocation by Usage	57.30%	42.70%
LEGAL FEES AND AUDIT FEES	Special Allocation by Usage	57.30%	42.70%
INSPECTIONS, PERMITS, FEES	Special Allocation by Usage	57.30%	42.70%
MISC. EXPENSES	Special Allocation by Usage	57.30%	42.70%
CONTINGENCY	Special Allocation by Usage	57.30%	42.70%
RESERVE	Special Allocation by Usage	57.30%	42.70%

EXHIBIT A

LEGAL DESCRIPTION

TO BE INSERTED PRIOR TO RECORDATION

EXHIBIT B

BY-LAWS

DECLARATION OF CONDOMINIUM

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED
AT 196 STANHOPE STREET
BROOKLYN, KINGS COUNTY
STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

CONDO #

NAME: STANHOPE FOUNDRY

DECLARANT: STANHOPE REAL ESTATE DEVELOPMENT LLC
28-07 Jackson Avenue
Long Island City, NY 11101

DATE OF DECLARATION:

BLOCK: 3268
FKA LOT: 32
NKA LOTS: [TBD]

Record and Return to:

MORITT HOCK HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

BY-LAWS

OF

STANHOPE FOUNDRY

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

EXHIBIT B
to the Declaration of Condominium

SCHEDULE J

BY-LAWS

OF

STANHOPE FOUNDRY

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BY-LAWS

OF

STANHOPE FOUNDRY

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership. The property located at 196 Stanhope Street, Brooklyn, Kings County and State of New York as specifically set forth in the Declaration and more commonly known as Stanhope Foundry has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Building and improvements thereon including the Condominium Units (hereinafter referred to as "Units"), and the Common Elements and the use and occupancy thereof, the term "Building" as hereinafter used shall be as defined in the Declaration of Condominium.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of use or occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Definitions. The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise indicated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners.

Section 2. Voting. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration of Condominium, if not appointed. The Non-Residential Unit Owners (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit orUnits, for the Non-Residential Board Members to be elected, in proportion to the Common Interest of all Units unless otherwise

mandated by law or expressly provided for in the Declaration of Condominium, if not appointed.

Section 3. Quorum. So many Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33⅓%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least twenty-five (25%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. Any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings Control of Board of Managers by Sponsor. The initial Board of Managers will call for the first annual meeting of the Unit Owners to elect a new Board of Managers within one (1) year of the closing of the first Unit. At such meeting, Members of the Board of Managers shall be elected by the Unit Owners, other than the Members of the Board the Sponsor shall have the right to designate, and the former Members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. 1. The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium until all of the Residential Units in the Condominium are sold. Thereafter, the Sponsor shall retain the right to designate a minority of the Board of Managers until such time as Sponsor no longer owns the Commercial Unit. In the event the Sponsor no longer owns a Unit in the Condominium, the Sponsor shall no longer be permitted to designate or appoint Members to the Board of Manager.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Unit Owners of the Condominium are present in person or by proxy. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed without cause by vote of the Members at a special meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election and only if requested by a Unit Owner present at the meeting)
(g) Election of managers (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Members designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Until succeeded by the Members elected at the first annual meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II of the By-Laws, a total of (3) Members shall be elected or designated, wherein Sponsor will designate two (2) Board Members and Unit Owners will elect one (1) Board Member until the end of the Sponsor Control Period. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members shall be elected or designated. One (1) member shall be elected/appointed by the Commercial Unit Owner and two (2) members shall be elected by the Residential Unit Owners. The term of office of one (1) Member shall be fixed for three (3) years, the term of office of one (1) of the Member shall be fixed at two (2) years, and the term of office of one (1) Member shall be fixed at one (1) year. The term of office of the Commercial Unit member shall be fixed at three (3) years. Separate ballots shall be conducted for each of the three terms of office. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration. The Commercial Unit Owner(s) (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for the Commercial Board Members to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration, if not appointed. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of

Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor will have voting control and may designate a majority of the Board of Managers until all of the Residential Units in the Condominium are sold. Thereafter, Sponsor shall have the right to designate and/or appoint the Commercial Unit Member to the Board of Managers. In the event the Sponsor no longer owns a Unit in the Condominium, the Sponsor shall no longer be permitted to designate or appoint Members to the Board of Manager. See Section XVIII of the Offering Plan.

This Section may not be amended without the written consent of Sponsor.

Section 2. Vacancy and Replacement. If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members, though less than a quorum, at a special meeting of Members duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. The Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Member's successor to fill the unexpired portion of the term of office. In the event of the failure to hold any election of the Board of Managers at the time designated for the annual election of the Board of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of the Unit Owners to elect a new Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of the Unit Owners. If the vacancy occurs with respect to any Member of the first Board of Managers (see Section 4 of this Article III) or any other Member who has been designated by the Sponsor and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to choose such Member's successor to fill the unexpired portion of the term.

Section 3. Removal. Members may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Member, other than a Member of the first Board of Managers or a designee of the Sponsor or the Commercial Unit Owner, shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. In the event a Sponsor designee is removed for cause and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to designate a replacement. In the event the Commercial Unit Owner designee is removed for cause, the Commercial Unit Owner shall have the sole right to designate a replacement.

Section 4. Resignation. Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. First Board of Managers. The first Board of Managers of the Condominium will consist of Guan Shawn Wang, Haoji Yu and Benjamin Yam, who shall

hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. The Sponsor has the right to substitute or change any or all of said representatives of the first Board of Managers. Any or all of said Members shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 6. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

3. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;

4. To make repairs, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

5. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner may secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the operation, care upkeep and maintenance of the General Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit;

14. Pursuant to Section 339-y(4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Units. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit;

15. To make payment for the real estate taxes assessed to the Building until the Units are separately assessed for taxes and to collect a reasonable adjustment for same from the individual Unit Owners.

16. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

17. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws or as promulgated by the By-Laws.

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to include at least one (1) Member which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for a period ending not more than five (5) years after the closing of title to the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner, the Board of Managers, may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, in excess of the reserve for contingencies contained in the Condominium budget for the first year of operation, (iii) hire any employee in addition to the employees referred to in the Plan of Condominium ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of closing of the first Unit, or (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, or (vii) charge any special Common Charge assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

(d) Notwithstanding Article III, Section 6(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any matter regarding the health and safety of the occupants of the Building; or

(iv) to remedy any work order by an insurer.

(e) Sponsor may exercise veto power over expenses, other than those described in Article III, Sections 6(c) and (d) of the By-Laws, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Section 7. Repairs and Maintenance. All maintenance, repairs and replacements to the Common Elements including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the Common Elements.

The Residential Restricted Common Elements servicing the Residential Units shall be maintained, repaired and replaced by the Residential Unit Owners. The cost of any such maintenance, repair and/or replacement shall be allocated to all Residential Unit Owners based upon their Residential Percentage of Common Interest. Although the cost of repairs and replacements to Residential Restricted Common Elements shall be borne by the Residential Unit Owners, the Board shall be charged with performing all maintenance, repairs and replacements. Notwithstanding the foregoing, the cost for maintenance, repair and/or replacement of Residential Restricted Common Elements that are part of the structural components serving the entire Condominium will be borne by all Unit Owners according to their percentage of Common Interest in the Condominium.

All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the

surface of the balconies or terraces), shall be the responsibility of the Unit Owner whose balcony or terrace is a Limited Common Element of their Unit. Although the cost of repairs and replacements to Limited Common Element shall be borne by the Individual Unit Owner, the Board shall be charged with performing all repairs and replacements at the Unit Owners sole cost and expense.

All maintenance, repairs and replacements to the exterior entryways, doors and glass storefront window systems appurtenant to the Commercial Unit and Community Facility Unit shall be maintained, repaired and replaced by the Board of Managers and the cost of any such maintenance, repair and/or replacement, shall be allocated to the applicable Unit Owner.

All maintenance, repairs and replacements to the General Common Elements, other than as set forth herein, will be made by the Board of Managers and the cost thereof will be a Common Expense payable by all Unit Owners.

The Board of Managers on behalf of the Condominium shall repair and replace any public utility lines located underground or overhead of any Limited Common Element except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the Unit Owner to which the Common Element is restricted in use, in which event such Unit Owner shall make such repairs or replacements at their own expense.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

In the event that a Unit Owner fails to perform any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs or maintenance to Unit Owner’s Unit

or for repairs to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable Attorneys' fees and costs of such suit or proceeding together with interest on all sums due.

Section 8. Compensation. Members and officers, as such, shall receive no compensation for their services.

Section 9. Meetings.

(a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Member either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Members.

(d) At all meetings of the Board, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board shall be 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.

(f) Members of the Board may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 10. Annual Statement. The Board of Managers shall furnish to all Unit Owners and their mortgagees and shall present annually (at the annual meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting.

Section 11. Fidelity Bonds. The Board of Managers shall require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

Section 12. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 13. Liability of the Board of Managers, Officers and Unit Owners. No Member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as a Member of the Board or officer, provided that this provision does not eliminate or limit the liability of a Member of the Board or officer if a judgment or other final adjudication adverse to him or her establishes (a) that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board or officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a Member of the Board or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board or officer if a

judgment establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of these By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one (1) or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners, Members of the first Board of Managers or designated Members of the Board of Managers of the Sponsor. Two (2) or more offices may be held by the same person, except that the President may only hold the office of President.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a President, a Vice-President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall

exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; the President shall preside at all meetings of the Unit Owners and Members, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York.

Section 6. The Vice-President. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things,

shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Member or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such Member or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interest appurtenant to such Units or according to a special allocation of Common Expenses as permitted pursuant to Section 339-m of the New York State Real Property Law.

Said assessments shall be payable monthly or such other manner as ordered by the Board of Managers and shall be referred to as Common Charges. Special Common Charge assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all special Common Charge assessments assessed against the Unit Owner's own Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late charge" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate theretofore collected on such amounts) computed from the due date thereof, and (c) 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 an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges in the manner permitted by applicable law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board may take action to collect any Common Charges due from any Unit Owner which remains unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise. During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

No Unit Owner shall be liable for any Common Charges, which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit by the Unit Owner in accordance with these By-Laws and the Declaration. A purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit as well as unpaid Common Charges assessed against the Unit at the time of the purchase. However, where a holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquiree of title, its successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquiree. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or

other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

Section 3. Purpose of Common Charges. The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to repair and maintenance of the General Common Elements, including all sewer and drainage pipes for the Building; insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies; reserve fund and any other expenses that are Common Expenses of the Condominium.

Section 4. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorneys' fees.

Section 5. Statement of Common Charges. Upon the written request of any Unit Owner or their mortgagee, the Board shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 6. Liability for Utilities. Any utility, including gas and electricity, consumed and individually metered in a Unit shall be an expense of each individual Unit Owner.

Section 7. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 8. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

Section 9. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements and Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and other expenses for, and allocate and assess Common Charges and Common Expenses among the Unit Owners according to the special allocation of Common Charges set forth in Schedule B-

2 to the Declaration of Condominium. The Board of Managers shall not be permitted to change the special allocation of Common Charges, set forth in Schedule B-2, with respect to any Units owned by the Declarant, its successors and/or assigns, unless same has been consented to in writing by Declarant. The Special Allocation of Common Expenses is expressly permitted by the Declaration in accordance with Section 339-m of the Real Property Law.

The Common Expenses of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VIII and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and expenses are based, to all Unit Owners pursuant to the provisions of Article III, Section 10 of these By-Laws.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit it sold to a bona fide purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fidelity insurance covering all Officers, Board Members, employees and the Managing Agent or agents who handle funds of the Condominium; fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the Building in the Condominium (but not including furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air-conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Boards and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building. Each of such policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers

with the approval of the Insurance Trustee, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee.

The fire insurance will commence with the Closing of Title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the Closing of Title to all Units. Until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum as provided for in the estimated first year budget contained in the Offering Plan upon completion of the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each Member of the Board of Managers, the Managing Agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board following the first annual Residential Unit Owners meeting, such public liability insurance shall be at least in a sum as provided for in the First Year's Budget for the Condominium. Such public liability insurance shall commence on the Closing of Title to the first Unit.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

The Board of Managers is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences within or about a Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $1,000,000 umbrella liability coverage which shall be issued

by an insurance company qualified to do business in the State of New York and approved by the Board of Managers, acting reasonably; and the Board of Managers, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board of Managers shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Board of Managers. The liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any additional insurance carried by any other Unit Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Board of Managers. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board of Managers certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Board of Managers at least ten (10) days prior to the expiration of such policy.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association ("FNMA") and servicers on behalf of FNMA, shall also receive such notice of cancellation or modification.

Unit Owners shall be required to carry separate Condominium Unit insurance for their own benefit. Such policies must contain waivers of subrogation and further provide that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. The Insurance Trustee. The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $50,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Buildings (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each

Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. General. In addition to the other provisions of these By-Laws, the following Rules and Regulations together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Unit and the conduct of all Unit Owners, residents and occupants thereof.

Section 2. Rules and Regulations Applicable to All Unit Owners.

(a) Use.

(i) All Residential Units shall be used for residential purposes only in accordance with municipal regulations.

(ii) The Commercial Unit shall be used as for may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for retail purposes.

(b) Unit Owners, members of their families, their employees, tenants, guests and their pets, if permitted, shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said Unit Owners, or in such a way as to be injurious to the reputation of the Condominium.

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct the Unit Owner is legally responsible.

(e) Maintenance.

(i) Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner’s exclusive use which, if not done, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms a part, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(ii) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

(f) Structural Changes.

(i) No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no structural addition, alteration or improvement to any balcony or terrace, which is a Limited Common Element, shall be permitted unless required as part of the general maintenance, repair or replacement of said balcony or terrace. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Residential of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board of Managers with a certificate of insurance prior to the commencement of the work; (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board of Managers, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done; (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board of Managers, its Members and Officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work; and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element for its exclusive use shall be completed by

the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

Notwithstanding the foregoing, all Residential Unit Owners shall comply with any Condominium construction and/or improvement guidelines promulgated by the Board of Managers and/or Board of Managers.

These provisions shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed by the Sponsor or such designee.

(ii) No alteration, addition or change to any part of the General Common Elements may be made and no structure or other improvement (including landscaping) may be built or placed on any portion of the General Common Elements without the written consent of a majority of all of the Members of the Board of Managers.

(iii) No alteration, addition or change to any part of the Residential Restricted Common Elements may be made and no structure or other improvements (including landscaping) may be built or placed on any portion of the Residential Restricted Common Elements without the written consent of a majority of the Members of the Board of Managers.

(iv) The Commercial Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Commercial Unit, or any Limited Common Element for their exclusive use, without the prior written approval of the either the Board of Managers or Board of Managers. The Commercial Unit Owner must obtain all approvals, as necessary, from the City of New York or any other governmental agency. The Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to the Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board

of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of the Commercial Unit Owner, the Board of Managers will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The Commercial Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Unit which are permitted by law. No rules affecting the operation of the Commercial Unit maybe adopted or modified by the Board of Managers or Board of Managers without the consent of the Commercial Unit Owner.

Notwithstanding the foregoing, the Commercial Unit Owner, other than the Declarant, its successors, assignees and/or designees, shall be required to comply with any Condominium construction and/or improvement guidelines promulgated by the Board of Managers.

(g) It is prohibited to hang garments, rugs, etc., from the windows, or from the Building or to string clothes lines on or over the Common Elements (including any Limited Common Element) or to use any of the Common Elements for storage purposes except if specifically designated for such purposes.

(h) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(i) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

(j) Each Unit Owner shall keep their Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(k) The entrances, passages, public halls, vestibules, corridors and stairways of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units.

(l) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in any of the passageways, public halls, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(m) Neither Unit Owners, residents, occupants, tenants, agents, servants, licensees or their guests are permitted to play in, exercise or use for any unintended purposes, the entrances, passageways, public halls, vestibules, corridors and stairways of the Condominium.

(n) No public hall of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

(o) The following shall be applicable to the elevators in the Building:

(i) The elevator of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units or halls and floors of the Condominium.

(ii) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in any of the elevators.

(iii) Neither Unit Owners, residents, guests, tenants, clients, employees, licensee nor occupants are permitted to play in, exercise or use the elevators of the Condominium for any unintended purposes.

(iv) No elevator or elevator cab of the Condominium is to be decorated or furnished by any Unit Owner in any manner.

Section 3. House Rules and Regulations for the Residential Units and Restricted/Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Residential Area of the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units. No vehicle belonging to a Residential Unit Owner, to a family member of a Residential Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Residential Unit Owner shall be parked in such a manner as to impede or prevent access to any entrance to, or exit from the Building.

(b) No baby carriages, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

(c) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

(d) Nothing shall be hung or shaken from any doors, windows, balconies or terraces, or placed upon the exterior window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom. The Common Elements, General Residential Units and Individual Unit Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(e) There shall be no playing or lounging in the elevators, entrances, passageways, public halls, vestibules, corridors, or stairways, of the Building, except in any designated recreational areas, if any, or other areas designated as such in the Declaration or by the Board.

(f) The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements and/or General Residential Units Limited Common Elements that may be devoted to Residential storage, recreation, or service purposes in the Building.

(g) Nothing shall be done or kept in any Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in their Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law. No Residential Unit Owner or any of the Residential Unit Owner's family members, tenants, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in their Residential Unit or Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit.

(h) No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any

musical instrument, or shall operate or permit to be operated a CD player, IPod, phonograph, radio, television set, loudspeaker, or other similar device in such Residential Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(i) No Residential Unit Owner shall install any plantings in the Common Elements or the Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit without the prior written approval of the Board. It shall be the responsibility of the Residential Unit Owner to maintain all plantings in the Residential Units to prevent any damage to floors and walls. Residential Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(j) In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws and applicable zoning, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

(k) The balconies and terraces designated as Individual Residential Unit Limited Common Elements are not permitted to be used for storage and are not permitted to be enclosed. No barbecuing is permitted on any balcony or terrace. All drains located on a balcony or terrace must be kept open at all times.

(l) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

(m) No sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or By-Laws or shall have been approved in writing by the Board of Managers or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

(n) All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules,

regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(o) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of a Residential Unit without the prior written consent of the Board of Managers. The Board of Managers may adopt such Rules and Regulations pertaining to antenna so as to comply with the Federal Communications Commission rules adopted on October 14, 1996.

(p) Water-closets and other water apparatus in the Building shall not be used for any purpose other than those, for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(q) Each Residential Unit Owner shall keep their Residential Unit and any Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(r) The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room in a Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(s) The Board of Managers or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to their Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the Board or Managing Agent or their agents (in an emergency, only when specifically

authorized by an Officer of the Condominium or an Officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

(t) If any key or keys are entrusted by a Residential Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Board of Managers nor the Managing Agent shall (except as provided in Rule (r) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(u) No Residential Unit Owner of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

(v) Any Residential Unit Owner who mortgages, sells or leases their Residential Unit shall notify the Board of Managers, providing the name and address of the new mortgagee, new Residential Unit Owner or new tenant within thirty (30) days of the closing of the mortgage, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Residential Unit for the new Purchaser or thirty (30) days prior to any tenant occupying the Residential Unit.

(w) The Board of Managers shall report any unpaid assessments due from the Unit Owners of such Unit to Permitted Mortgagees in accordance with Article XIII, Section 4 of these By-Laws.

(x) Every Residential Unit Owner shall be liable for any and all damage to the Common Elements, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Residential Unit Owner is legally responsible.

(y) Residential Unit Owners will faithfully observe the procedures established, from time to time, by the Board of Managers or the Managing Agent with respect to services provided and the management of the Building.

(z) Pets and/or animals of any type are not permitted to be kept or harbored in any Residential Unit, unless the express written consent of the Board of Managers has been granted. The Board of Managers may only grant its consent upon its receipt of evidence suggesting that the keeping or

harboring of such pet is medically necessary for the welfare of a Residential Unit Owner. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners, who have been granted permission to harbor a pet, shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium.

(aa) All Residential Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Residential Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Residential Unit.

(bb) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Residential Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers. In no event however, shall any exterior glass surface of any windows of a Residential Unit be colored or painted.

(cc) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(dd) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building.

(ee) No group tour or exhibition of any Residential Unit or its contents may be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Residential Unit, without the prior consent of the Board of Managers.

(ff) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

(gg) The Members of the Board of Managers reserve the right to rescind, alter, waive or add, as to one or more or all Residential Unit Owners, occupants, lessees, guests and any other person residing in the Residential Area of the Condominium, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Members of the

Board of Managers, deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Area of the Condominium, or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of Residential Unit Owners, occupants or others in the Residential Area of the Condominium. No rescission, alteration, waiver or addition of any Rule or Regulation with respect to one Residential Unit Owner or other occupant, tenant or otherwise of the Residential Area of the Condominium will operate as a rescission, alteration or waiver with respect to any other Residential Unit Owner or other occupant, tenant or otherwise of the Residential Area of the Condominium.

(hh) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

Section 4. Rules and Regulations for the Commercial Unit and Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building, for the exclusive use of the Commercial Unit, shall not be obstructed or used for any purpose other than ingress to and egress from the Commercial Unit. No vehicle belonging to the Commercial Unit Owner or to a guest, tenant, subtenant, licensee, invitee, employee, agent, customer or client of the Commercial Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(b) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Condominium servicing the Commercial Unit, nor shall any fire exit thereof be obstructed in any manner.

(c) Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior window sills, of the Commercial Unit, and the Commercial Unit Owner shall not sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

(d) Nothing shall be done or kept in the Commercial Unit or the Commercial Unit's Limited Common Element for the exclusive use of an individual Commercial Unit that is not used in conjunction with the operation of the Commercial Unit's business or practice that will increase the rate of insurance of the Condominium or the contents thereof, without the prior written consent of the Board. The Commercial Unit Owner shall not permit anything to be done or kept in the Commercial Unit or the Commercial Unit Limited Common Element for the exclusive use of an individual Commercial Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law. The Commercial

Unit Owner and any of its tenants, agents, servants, employees, licenses, visitors, clients, patients or customers shall not, at any time, bring into or keep in the Commercial Unit or the Commercial Unit's Limited Common Element for the exclusive use of the individual Commercial 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 or a Limited Common Element for the exclusive use of the individual Commercial Unit.

(e) All construction, repair work, or other installation involving noise shall be conducted in the Commercial Unit only on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(f) No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Commercial Unit, unless same is in connection with a business purpose.

(g) No patients, clients, or other invitees of the Commercial Unit Owner or its tenant shall be permitted to wait in any lobby, public hallway, or vestibule used for the Residential Area of the Building.

(h) All radio, television, or other electrical equipment of any kind or nature installed or used in the Commercial 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 Commercial Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(i) Water closets and other water apparatus in the Commercial Unit shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in the Commercial Unit shall be repaired and paid for by the owner of such Commercial Unit.

(j) The Commercial Unit Owner shall keep the Commercial Unit and the Commercial Unit's Limited Common Elements designated to the Commercial Unit for the Commercial Unit's exclusive use in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(k) The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may

not enter the Commercial Unit without the consent of the Commercial Unit Owner except for emergencies.

(l) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

(m) The Board of Managers shall not interfere with the business operation of the Commercial Unit unless it affects the General Common Elements, Residential Restricted Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

(n) The Commercial Unit Owner and/or its tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

(o) The Commercial Unit Owner shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Commercial Unit without interference by the Board of Managers. All sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

These Rules and Regulations applicable to the Commercial Unit shall not apply to Units owned by the Declarant, its successors, assigns and/or designees, and may not be amended, modified, added to, or repealed without the written consent of the Commercial Unit Owner, unless required by law.

Section 5. Violations of Rules and Regulations.

(a) The Board of Managers shall be charged with handling complaints and/or violations of any of the House Rules or other provisions of the By-Laws with respect to the Commercial Unit and the Residential Units.

(b) Upon receipt, by the President of the applicable Board or by the Managing Agent, of a signed written complaint alleging violation of any of the House Rules or other provisions of the By-Laws as herein established or hereafter established or adopted by a Board, the President, or in the President's absence, the Vice President together with a minimum of two (2) other Members of the applicable Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the House Rules or other provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

i) A copy of the rule or regulation the Unit Owner has violated and a description of the manner in which the Unit Owner violated the rule or regulation.

ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

(c) Notwithstanding the above, only Members of the Board of Managers shall make a determination as to the validity of any complaint involving exclusively a Residential Unit, Residential Unit Owner, General Residential Units Limited Common Element or a Residential Unit(s) Individual Unit Limited Common Element.

(d) During the period the Sponsor or its designee own the Commercial Unit, any complaint alleging a violation of any House Rule applicable to the Commercial Unit shall require at least one (1) Commercial Member of the Board of Managers to hear the complaint. At such time as the Sponsor no longer owns any of the Commercial Unit the procedure regarding a violation of a Rule or Regulation applicable to the Commercial Unit Owner shall be as provided for in Article VIII Section 5(b) above except that the Commercial Unit Member of the Board of Managers is required to be one (1) of the Board of Managers Members hearing the complaint.

(e) If, after said notice and hearing, it is determined that the complaint is valid and justified, the Managing Agent shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to one hundred and fifty ($150) dollars upon the violator; such fine is to be considered as an additional Common Charge to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If after imposition of a fine the violation is not corrected or eliminated, the applicable Board may assess additional fines of up to one hundred and fifty ($150) dollars each after serving written notice upon the violator as provided for above. If the violation results in loss of or damage to property classified as a Common Element, the applicable Board shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

Section 6. Costs. Any costs incurred by the Board of Managers to remedy or cure any violation of these By-Laws, the Rules and Regulations as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the five hundred ($500) dollar fine(s) levied upon the violator. Fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with his tenant for the payment of same.

In the event the Condominium institutes legal action for the collection of any fines or the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit.

Section 7. Board of Managers Right to Change Rules and Regulations. Except as provided in Sections 3, 4 and 5 of this Article VIII, the Board of Managers 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 Board of Managers, the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of 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 will operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

Section 8. Sponsor. The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

Section 9. Smoking Policy. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the following smoking policy has adopted for the Building (the "Smoking Policy"):

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PROHIBITED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation. This fine shall be in addition to any other violation fine permitted in these By-Laws. The Board will advise Unit Owners of any changes to the Smoking Policy.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge or assessment shall remain unpaid for ninety (90) days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the Common Charge assessment required to be paid by him on its due date, the Board of Managers may collect said fees and take such action as is provided in Article VI, Section 2 of these By-Laws and said Unit Owner shall be liable for the Condominium’s reasonable costs and a reasonable attorney’s fee incurred by it incident to the collection or enforcement of such lien.

In addition to the Board’s right to bring an action to foreclose a lien on a Unit Owner’s Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event the Unit Owner shall be liable for the reasonable costs and reasonable attorney’s fee incurred by it incident to the collection of the delinquent Common Charges.

ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting, provided that: (1) the notice of the meeting shall contain a full statement

of the proposed amendment; (2) the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration subject to the following:

(a) Notwithstanding any provision contained herein to the contrary, an amendment to the By-Laws which solely affects the Residential Unit(s) may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent of only the Residential Unit Owners.

(b) Notwithstanding any provision contained herein to the contrary an amendment to the By-Laws which solely affects the Commercial Unit(s) may only be adopted by a vote of at least sixty-six and two-thirds (66⅔) percent of only the Residential Unit Owners.

(c) Notwithstanding any provision contained herein to the contrary, no amendment will affect or impair the validity or priority of the Unit Owners' interest and/or the validity, interest, rights and priorities of holders of a mortgage encumbering a Unit or Units.

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from the By-Laws or any rules and regulations shall be effective in any way against Sponsor or its designee or any Unsold Unit, as long as the Sponsor owns an Unsold Unit in the Condominium unless Sponsor has given its prior written consent thereto. This provision is not subject to amendment.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Units. Any Residential Unit may be conveyed or leased, subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Residential Unit Owner free of any restrictions, except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease their Residential Unit unless and until all unpaid Common Charges assessed against the Residential Unit Owner's Residential Unit shall have been paid to the Board of Managers. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Residential Unit, or by the Grantee. Notwithstanding the above, any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers with a copy of the lease prior to its execution. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Further, a Residential Unit Owner may convey the Residential Unit Owner's Residential Unit and Common Interest appurtenant thereto, to the Board of Managers on behalf of all Residential Unit Owners free of any cost to the Board or the Residential Unit Owners and upon such conveyance such Residential Unit Owner shall not be liable for any Common Charges thereafter accruing against such Residential Unit.

Any sale or lease of any Residential Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Residential Unit by a first mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

Whenever the term “Residential Unit” is referred to in this section, it shall include the Residential Unit, the Residential Unit Owners undivided interest in the Common Elements and the Residential Unit Owners interest in any Residential Units acquired by either Board.

Section 2. Leasing Requirements. Except as noted in Sections 4, 5 and 6 every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) the lease must be in writing;
(b) the lease must be for the entire Residential unit;
(c) the lease must be for a minimum of twelve (12) months and maximum of twenty-four (24) months. Renewals shall be for a one (1) year term and are subject to review by the Board of the Condominium;
(d) the Residential Unit must be covered by adequate renters insurance for the duration of the lease and any subsequent extensions. A copy of such policy shall be forwarded to the Board of Managers prior to a tenant taking occupancy of a Residential Unit.
(e) the use of the premises is subject to the Declaration and the By-Laws of the Condominium and the Rules and Regulations of the entire Condominium;
(f) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the Managing Agent or if no Managing Agent, to a Member of the Board of Managers;
(g) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent, to the Board of Managers for review;
(h) the Residential Units cannot be used as a motel or hotel or otherwise, or for transient tenants our occupants (i.e. Airbnb or the like);
(i) if any Residential Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any rules and regulations, the Boards may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

In order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium, each Residential Unit Owner shall, upon becoming a Residential Unit Owner, grant or be deemed to have granted an

irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorneys' fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers may file for eviction.

Section 3. Tenant Bound by Declaration. By becoming a tenant, each tenant agrees to be bound by the Declaration, By-Laws and the other rules and regulations of the Condominium and recognizes and accepts the right and the power of the Board of Managers of the Condominium to evict the tenant for any violation by the tenant of the above, and the other rules and regulations of the Condominium.

Section 4. Lenders. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (b), (e), (f), (g), (h) and (i) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XI.

Section 5. Sponsor/Commercial Unit. The terms of Sections 1 and 2 of this Article XI shall not be applicable to the Sponsor, its successors or assigns or to the Commercial Unit Owner.

Section 6. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 7. Real Property Law Section 339-kk. Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Unit Owner who rents any Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants

shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

Section 8. Gifts, etc. Any Unit Owner may convey or transfer their Unit by gift during their lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

ARTICLE XII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $40,000 and to the Board of Managers if the award is $40,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) so much of the award as is applicable to unrestricted Common Elements, to the Unit Owners pro rata according to the respective Common Interest appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to Irrevocably Restricted Common Elements to the Unit Owner having general use of such Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each Irrevocably Restricted Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIII. Arbitration

Section 1. Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in Kings County, New York, or in a venue mutually agreed upon by the parties, as in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in Kings County, New York, or in a venue mutually agreed upon by the parties, before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New

York Civil Practice Law and Rules and known as “New York Simplified Procedure for Court Determination of Disputes”.

Section 3. Binding Effect. The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction

Section 4. Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE XIV. SPONSOR RIGHTS

Section 1. Sales/Rentals. The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales and rental offices in and about the Condominium, including any model Units located within the Condominium Building or elsewhere throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective Purchasers or tenants, to utilize the Common Elements, and without limitation, to do any and all things necessary incident to the sale or rental of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs/Ingress/Egress. The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct, sell and lease the Units. Incident to the rights and privileges provided for herein, the Officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. This Article XIV may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one (1) or more Unsold Units

ARTICLE XV. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in their Unit which will increase the insurance rates on their Unit or any other Unit or on the Common Elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. The Commercial Unit Owner, who mortgages a Unit, shall notify the Condominium through the Managing Agent, if any, or through the President of the Board of Managers in the event there is no Managing Agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled “Mortgagees of Units”. A Residential Unit Owner, who mortgages a Unit, shall notify the Condominium through the Managing Agent, if any, or through the President of the Board of Managers in the event there is no Managing Agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled “Mortgagees of Residential Units”.

Section 4. Notice of Unpaid Assessments. The Board of Managers shall report any unpaid assessments due from the Unit Owners of such Unit to Permitted Mortgagees in accordance with Article XIII, Section 4 of these By-Laws.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 7. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

ESCROW AGREEMENT

AGREEMENT made this ___ day of _____, 20__, between Stanhope Real Estate Development LLC, with an address at 28-07 Jackson Avenue, Suite 11-138, Long Island City, New York 11101 ("SPONSOR") as Sponsor of the offering plan for Stanhope Foundry and Moritt Hock & Hamroff LLP with an address 1407 Broadway, 39th Floor, New York 10018 ("ESCROW AGENT") as ESCROW AGENT.

WHEREAS, Stanhope Real Estate Development LLC is the SPONSOR of an offering plan to develop a condominium for the premises located at 196 Stanhope Street, Kings County, Brooklyn, New York 11237, which premises are known as Stanhope Foundry; and

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

WHEREAS, SPONSOR desires that ESCROW AGENT act as ESCROW AGENT for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1. ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by purchasers or subscribers. The Escrow Agent has been established at Metropolitan Commercial Bank, located at 1359 Broadway, New York, NY 10018 ("Bank"), telephone: (212) 643-6981, a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account" ("Escrow Account"). The account number is TBD.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories are the following partners at MHH: Anthony J. Ficara, Ted A. Berkowitz, Michael Cardello III, and Gary C. Hisiger. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of 1407 Broadway, New York New York 10018, and a telephone number of (212) 239-2000 Fax (212) 239-7277 ESCROW AGENT

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of

this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

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

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

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Moritt Hock & Hamroff LLP, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

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

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of defaulting purchaser to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to a purchaser as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) pursuant to terms and conditions set forth in the purchase agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest]; or (b) in a subsequent writing signed by both SPONSOR and purchaser; or (c) by a final, non-appealable order or judgment of a court of competent jurisdiction; or (d) the ESCROW AGENT is changed pursuant to the terms of the Escrow Agreement in connection with the transfer of funds to the new escrow agent; or (e) funds which were deposited prior to the acceptance of the contract are returned to the purchaser because of rejection of the contract by the SPONSOR; or (f) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from SPONSOR's regular suppliers or from using same in the construction and/or completion of the Home making the construction or completion of the Development unlikely; or (g) SPONSOR is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, acts of God or national emergencies making the construction or completion of the Development unlikely; or (h) the installation of public utilities is restricted or curtailed making the construction or completion of the Development unlikely; or (j) until released in accordance with paragraphs 3.3 and 3.4. Funds deposited in escrow for upgrades and extras to the Unit may be released from the escrow account without the requirements outlined herein provided SPONSOR uses the funds for such upgrades and extras and notifies the ESCROW AGENT in writing of such fact.

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

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

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

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

4. RECORDKEEPING

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

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT

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

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

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

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by a purchaser, along with the form of tender of deposit attached hereto as Exhibit “A” to this Escrow Agreement, executed by Sponsor.

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

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

7. TERMINATION OF AGREEMENT

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

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

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

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

8. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW

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

10. ESCROW AGENT'S COMPENSATION

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

11. SEVERABILITY

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

12. INDEMNIFICATION

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 this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT

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

14. NOTICES

14.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address herein above set forth with a copy of any such notice by regular mail to the attorney for such party as follows:

IF TO ESCROW AGENT:

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018
Anthony J. Ficara Esq

IF TO SPONSOR:

Stanhope Real Estate Development LLC
By: Stanhope Development LLC
28-07 Jackson Avenue,11-138
Long Island City, New York 11101
Attention Guan Shawn Wang

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

15. CAPTIONS AND HEADINGS

15.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

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

ESCROW AGENT:

MORITT HOCK & HAMROFF LLP

By: _____
Anthony J. Ficara, Esq ,

SPONSOR:
Stanhope Real Estate Development LLC
By: Stanhope Development LLC

By: _____
, Member

PURCHASER:

By: _____
,

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____at _____

located at _____, New York.

Purchaser(s) named below has/have tendered on _____, 20__, the above escrow deposit to Sponsor/Selling Agent as a deposit for the above Unit.

Purchaser(s)

_____

Address of Purchaser(s)

_____

_____

Phone number of Purchaser(s):

Home: _____

Business: _____

Social Security Number(s) or
Tax Identification Number(s)
of Purchaser(s) _____

_____

RECEIPT

The SPONSOR/SELLING AGENT of the above-named property hereby acknowledges receipt of the above escrow deposit.

By: _____

_____

Title of Position

Date of Receipt: _____

EXHIBIT “A”

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4 (b)

Date: April 21, 2025

State of New York
Department of Law
28 Liberty Street
New York, NY 10005

Re: Stanhope Foundry
196 Stanhope Street
Brooklyn, New York 11237

Gentlepeople:

We are the sponsor and the principals of Sponsor of the Condominium Offering Plan for the above-captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as they may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

SPONSOR:
Stanhope Real Estate Development LLC
By: Stanhope Development LLC

By: _____
Guan Shawn Wang, Member

PRINCIPALS OF THE SPONSOR:
Stanhope Development LLC

By: _____
Guan Shawn Wang, Member

_____
Guan Shawn Wang, Individually

By: _____
Haoji Yu, Member

_____
Haoji Yu, Individually

198 Stanhope LLC

By: _____
Benjamin Yam, Member

_____
Benjamin Yam, Individually

Sworn to before me this
1st day of April, 2025

_____
Notary Public

[YINENG WU
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01WU0021924
QUALIFIED IN QUEENS COUNTY
MY COMMISSION EXPIRES MARCH 7, 2028]

Affix Notary Stamp Here

FANG ARCHITECT, P.C.
35-18 Linden Place 2F, Flushing, NY 11354
Tel: (646) 838-4880
Email: info@fangpc.com

CERTIFICATION BY ARCHITECT
PURSUANT TO 13 NYCRR 20.4 (d)

Date: December 23rd, 2025

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

Re: Stanhope Foundry
196 Stanhope St, Brooklyn, New York 11237

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report disclosing the construction of the property (the "Report"). I prepared the building plans and specifications dated October 29th, 2025. I also prepared the Report dated December 23rd, 2025, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a licensed architect in the State of New York.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report based on my visual inspection:

(i) sets forth in narrative form the description and/or physical condition of the entire property, as it will exist on completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property, as it will exist upon completion of construction provided construction is in accordance with the plans and specifications I examined;

(ii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth, or
(d) did not have knowledge concerning the representations or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing the 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,
Fang Architect

By: _____
Name: De Zhang Fang, R.A.

REGISTERED ARCHITECT
DE ZHANG FANG
037876
STATE OF NEW YORK

Sworn to before me this
23 day of December, 2025.

SI CHEN
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01CH6265132
Qualified in Queens County
Commission Expires July 09, 2028

_____
Notary Public

FIDY MANAGEMENT

CERTIFICATION OF ADEQUACY OF OPERATING BUDGET
PURSUANT TO 13 NYCRR 20.4 (d)

Date: April 23, 2025

State of New York
Department of Law
28 Liberty Street
New York, NY 10005

Re: **Stanhope Foundry**
196 Stanhope Street
Brooklyn, New York 11237

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of condominium operation. My/or our experience in this field includes:

Managing 25 mixed-use residential/ commercial properties for the past 8 years, as well as being a licensed real estate broker for the past 5 years.

I/we understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the Regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

I/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. I/We also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I/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;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I/we further certify that I am/we are not owned or controlled by the Sponsor. I/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. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

By: Yana Izmaylov

Yana Izmaylov, Owner
Print Name and Title or Position

FiDY Management
Print Name of Company

Sworn to before me this
23rd day of April, 2025

Halyna Smolyar
Notary Public (sign here)

[HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Affix Notary Stamp Here
Qualified in Kings County
My Commission Expires 05-09-2027]

CERTIFICATION OF ADEQUACY OF COMMON CHARGES PAYABLE BY NON-RESIDENTIAL UNIT OWNERS PURSUANT TO 13 NYCRR 20.4(e)

Date: December 23, 2024

State of New York
Department of Law
28 Liberty Street
New York, NY 10005

Re: **Stanhope Foundry**
196 Stanhope Street
Brooklyn, New York 11237

Ladies and Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the Non-Residential Units. My/or our experience in this field includes:

Managing 25 mixed-use residential/ commercial properties for the past 8 years, as well as being a licensed real estate broker for the past 5 years.

I/we understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to the Non-Residential Units listed in Schedule B.

I/we have reviewed Schedule B as it impacts upon the Non-Residential Units and investigated the facts underlying it with due diligence in order to form a basis for this Certification. I/We also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B for common charges payable by the owner of the Non-Residential Units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Non-Residential Units for the projected first year of condominium operation, and that the allocation of common charges attributable to the Non-Residential Units also reflects special or exclusive use or availability or exclusive control of particular common areas.

I/we certify that the estimates in Schedule B for the common charges payable by the owner of the Non-Residential Units:

(i) set forth in detail the common charges for the Non-Residential Units for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the Non-Residential Units;

(iii) do not omit any material fact;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I/we further certify that I am/we are not owned or controlled by the Sponsor. I/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. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

By: _____

Yana Izmaylov, Owner
Print Name and Title or Position

FiDY Management
Print Name of Company

Sworn to before me this
23rd day of December 2024

_____
Notary Public (sign here)

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2027

[Affix Notary Stamp Here]

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

"§ 339-kk. Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent."

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

SCHEDULE M

HOUSING MERCHANT IMPLIED WARRANTY LAW

ARTICLE 36-B

WARRANTIES ON SALE OF NEW HOMES

Section 777. Definitions.
777-a. Housing Merchant Implied Warranty.
777-b. Exclusion or Modification of Warranties.

Section 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in titled twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

Section 777-a. Housing merchant implied warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials

supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which

excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

777-b. Exclusion or modification of warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the limited warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability,

conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under Section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.