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**CONDOMINIUM OFFERING PLAN**

**THE PANDA CONDOMINIUM  
8322 24TH AVENUE (A/K/A 2379 84TH STREET)  
BROOKLYN, KINGS COUNTY, NEW YORK 11214**

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|                          |                |
|--------------------------|----------------|
| Residential Units.....9  | \$8,538,000.00 |
| Parking Units.....6      | \$ 360,000.00  |
| Total Amount of Offering | \$8,898,000.00 |

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**SPONSOR AND SELLING AGENT:**

**8324 24TH AVE LLC  
9732 3RD AVENUE  
BROOKLYN, NEW YORK 11209**

Date of acceptance for filing of this Offering Plan is

This plan may not be used after unless extended by a duly filed amendment.

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

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

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

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

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## **SPECIAL RISKS**

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

1) The Sponsor is not limiting the conditions under which it will rent rather than sell units after consummation of the Offering Plan. There is no commitment to sell more than two (2) residential units in this Condominium, which is the minimum necessary to declare the plan effective. Owner-occupants, therefore, may never gain effective control and management of the condominium. There are no requirements or restrictions on renting imposed by a construction lender. Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

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

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

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

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

5) On March 31, 2019, New York State announced additions to the base real estate transfer tax (“transfer tax”) and established a new supplemental tax (“supplemental tax”) on certain conveyances of real property within New York State occurring after July 1, 2019. These amended tax rates apply only to conveyances of real property in cities with a population of 1 million or more (which includes only New York City as of this date). The additional transfer tax applies only to conveyances of residential real property when the consideration for the conveyance is \$3 million or more, and conveyances of any other property when the consideration for the conveyance is \$2 million or more. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is \$2 million or more. Purchasers shall be responsible for paying the base transfer tax and supplemental tax. The purchaser’s payment of the base transfer tax will itself be deemed additional consideration, resulting in a “tax on a tax” effect. Purchasers are advised to consult with their own counsel concerning transfer taxes and other closing costs. Please see CLOSING COSTS AND ADJUSTMENTS section of the Offering Plan for a more complete explanation.

6) At closing, each purchaser will pay to the Sponsor a reimbursement fee of \$2,500.00 for the cost of preparing and filing the condominium offering plan. Additionally, the

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

7) Transfer of control of the Board of Managers shall pass to unit owners other than the Sponsor at the earlier of: 1) sixty (60) days after the date by which 75% of the units have been conveyed to unit purchasers, or 2) three (3) years after the first conveyance of a unit to a unit purchaser. Sponsor will not hold control of the condominium board after the sponsor control period. Notwithstanding the foregoing, Sponsor may vote for unit owners of its choice. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions that can be taken by the Board of Managers while the Sponsor remains in control of the Board of Managers. Such limitations are set forth in the CONTROL BY THE SPONSOR of this Offering Plan.

Until the earlier of five (5) years from the date of closing, or at the time at which the Sponsor or other holder of unsold units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those expenses described in Schedule B or expenses required to comply with applicable laws or regulations, to remedy any notice of violation, or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or to remedy any work order by an insurer. Additionally, so long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and rules and regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

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

8) The Sponsor is liable for all common charges, special assessments, and real estate taxes with respect to unsold units, and represents that Sponsor has financial resources to meet these obligations. However, no bond, escrow deposit, or other security has been

furnished to secure the Sponsor's obligations. Please see the section of the Offering Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR for a more detailed explanation.

9) Pursuant to existing law and regulation, the Sponsor may declare the plan effective by selling a minimum of fifteen (15%) percent of the residential units in the building, which in the case of this Plan is two (2) residential units. If the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium even though there is no guarantee that all of the purchasers counted towards effectiveness will ultimately purchase their units. The Plan would have to be re-declared effective in the event that purchasers counted towards effectiveness failed to close their sales. Please see the EFFECTIVE DATE section of this Offering Plan.

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

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

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

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

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

14) Units 1A, 1B, and 1C will each include cellar area as part of the unit, plus a side yard area and two areaways allocated as limited common elements. Unit 2A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 2B will include two cellar storage closets, one cellar mechanical closet, and a roof terrace allocated as limited common elements. Unit 2C will include a cellar storage/mechanical closet, a cellar storage closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3B will include a cellar storage/mechanical closet and a roof terrace as limited common elements. Unit 3C will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Cellar storage areas are for storage of nonflammable items only, and may not be used for sleeping, cooking, and/or living purposes. No permanent structures may be erected in or on limited common elements; only temporary structures such as screen tents or sukkahs are permitted. The right to use and occupancy of the limited common elements is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs. Please see SCHEDULE A and the DESCRIPTION OF PROPERTY AND BUILDING CONDITION and BYLAWS included in Part II of this Offering Plan for a more complete explanation.

15) At each unit closing the Sponsor will transfer maintenance manuals and warranties for said Unit, as applicable, to the Purchaser. At the meeting of the Board of Managers to be convened within sixty (60) days after the closing of the first unit the Sponsor will transfer construction documents, including “as-built” materials,

maintenance manuals, and warranties, as applicable, to the Condominium. Please see the CONTROL BY THE SPONSOR section in Part I and the ARCHITECT'S REPORT located in Part II of this Offering Plan.

16) The obligations of a Purchaser under a Purchase Agreement are conditioned on the Purchaser obtaining financing. If a Purchaser intends to obtain mortgage financing, such Purchaser shall apply for said loan within five (5) days after receipt of a fully executed copy of the PURCHASE AGREEMENT and shall have forty (40) days from receipt of a fully executed copy of said PURCHASE AGREEMENT to obtain said mortgage commitment. Purchaser agrees to accept any commitment offered by the lending institution applied to, provided that the loan offered by the lending institution is for at least the amount of the loan contemplated in the PURCHASE AGREEMENT. In the event Purchaser obtains a firm written commitment for financing and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing, Purchaser shall be under a good faith duty to take all required actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution; however, in the event Purchaser has made such good faith effort to extend the commitment on the same terms and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, and that Purchaser is exercising his right to rescind the contract, then Sponsor will return the down payment. Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and Sponsor will grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right. Please see PROCEDURE TO PURCHASE in Part I, and PURCHASE AGREEMENT located in Part II of this Offering Plan.

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

18) The Sponsor will install in each unit a four-burner electric cooking range, Frigidaire model # GCFE3060BF or equivalent, a refrigerator, Frigidaire model # FRTD2021AW or equivalent, a dishwasher, Frigidaire model # FFID2426TS or equivalent, and a microwave, Frigidaire model # BOTR30100SS or equivalent. There will be one laundry closet provided within each residential unit with hookups for a domestic, stackable type washer and electric dryers. The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see the ARCHITECT'S REPORT / DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

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

1. Time periods during which work is permitted;
2. The manner in which construction debris will be handled;
3. Measures which must be taken to prevent compromising the security of the building during construction;
4. Interruption of services during construction;
5. Liability insurance for contractors during construction.

Roof terraces located at the roof above the third floor level shall be separated by privacy fences with standard 3 foot wide gates, which may be secured by padlock or chain capable of being cut by standard bolt cutters in the event that the New York City Fire Department ("FDNY") requires access. There will be no other preventative methods or elements applied for visual screen and privacy between decks allocated as limited common elements provided. Unit owners cannot place obstacles in FDNY access path. Fence, FDNY access, and roof layout are in compliance with NYC Fire Code Section 504.4.4. Any structural damage occurring to the roof shall be the sole responsibility of the Condominium and/or any such Unit Owner causing such damage and will need to be repaired at the Condominium or such Unit Owner's sole cost and expense as determined by the Condominium Board of Managers. Additionally, any warranty described in Part II may be voided by improper use of the roof. Any damage caused by the Sponsor shall be the responsibility of Sponsor to repair. Please see ARCHITECT'S REPORT included in this Offering Plan.

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

21) The Sponsor anticipates that the first closing of a unit will occur by 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 months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

Purchasers should note that even if the first closing occurs on or before January 1, 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. In the event, however, that Sponsor cannot convey title to the unit on or before twelve (12) months from the date of the Purchase Agreement, affected purchasers will be offered a right of rescission.

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

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

23) The Board of Managers does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather

than personal occupancy. There may always be a substantial percentage of owners who are non-residents. Please see the BOARD OF MANAGERS section located in Part I of this Offering Plan.

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

25) The Condominium budget for the first year of operation does not include expenses for a managing agent. The Sponsor will manage the Condominium during the control period. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 10% to 20% of the annual operating budget, which would require a concomitant increase in the Common Charges. Please see FOOTNOTES TO SCHEDULE B included in this Offering Plan.

26) It is anticipated that the Sponsor will hire one non-union part-time superintendent/porter for performing ordinary cleaning and maintenance of the premises and working approximately 10 hours per month at an hourly rate of \$25.00. This estimate is based upon the assumption that a superintendent's apartment will not be built and used by the employee free of charge as part of his or her salary. Activities which the Unit Owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping and minor repairs. Please see the FOOTNOTES TO SCHEDULE B section located in Part I of this Offering Plan.

27) Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with the Sponsor. The Sponsor has the option of determining whether it will restore the damaged Unit; if the Sponsor opts to restore the damaged Unit, it will restore same to conditions represented in the Offering Plan before a Purchaser will be obligated to close the sale of the Unit. The Sponsor will notify a Purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a

Unit within 15 days of said casualty. If Sponsor decides to restore the Unit, the Sponsor shall have 15 days in which to restore the Unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs. If the Sponsor decides not to restore the Unit, the Purchase Agreement will be cancelled and all deposits and money for extras shall be refunded to the Purchaser. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the Condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the Unit despite such damage to the personal property. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person in possession prior to closing assumes the risk of losses not covered by insurance. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance, and whether they might be able to obtain renters' insurance. Please see the PROCEDURE TO PURCHASE section of the Offering Plan.

28) The PURCHASE AGREEMENT does NOT require arbitration or waiver of trial by jury for disputes related to it or to the disposition of contract deposits. The BY-LAWS require that any dispute relating to the expenses to be borne by the Unit Owners shall be submitted to arbitration. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Declaration and By-laws may be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. The single arbitrator will be an independent third party unrelated to either party in the dispute. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses. All costs and expenses paid or incurred by Condominium Board in connection with any arbitration held pursuant to the BY-LAWS, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses. The foregoing does not in any way abrogate or modify the rights of Purchasers and Unit Owners pursuant to the Martin Act and governing regulations. Please see Article IX of the CONDOMINIUM BY-LAWS located in Part II of this Offering Plan.

29) On April 15, 2025, the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of a revised Geographic Targeting Order ("GTO"). This revised GTO requires U.S. title insurance companies to identify and report to FinCEN the natural

persons behind companies making certain “all-cash” purchases of residential real property if the transaction meets the following criteria:

1. Residential real property is purchased by a domestic or foreign business entity, including but not limited to a corporation, limited liability company, or partnership.
2. The residential real property is located in the Borough of Brooklyn, Queens, Bronx, Staten Island, or Manhattan
3. The purchase price exceeds \$300,000.00.
4. Such purchase is made without a bank loan or other similar form of financing.
5. Such purchase is made, at least in part, using currency or a 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.

The subject premises are located within the GTO described above. All-cash purchasers closing after April 15, 2025 and ending October 9, 2025 will be subject to the reporting requirements of this GTO. Purchasers are advised to confer with their own counsel regarding the effects of the GTO on their real estate purchases. Further information regarding the revised GTO is available at the following web address:

<https://www.fincen.gov/sites/default/files/shared/RRE-GTOs-Phase-18-Order.pdf>

Please see CLOSING COSTS & ADJUSTMENTS section of this offering plan.

30) Sponsor is not creating a fund on closing to be used as a reserve for capital expenditures. However, the budget for the first year of condominium operation in SCHEDULE B includes a budgeted yearly Capital Reserve Fund for repair and replacement of major systems or structural elements of the building. This budgeted item will start the gradual creation of a reserve fund. Unit owners will therefore be contributing to the yearly Capital Reserve Fund through their common charges, beginning with common charge adjustments paid at the closings of their individual condominium units. (Unit owners will also, at closing, pay their contributions to the building’s Working Capital Fund.) It is not anticipated that there will be any substantial capital expenditures within the five (5) years immediately following the first closing of a Condominium Unit under the Offering Plan. In the event a need arises for substantial capital expenditures such as renewal or replacement of building components or systems, or to remedy major Building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual Units or Unit Owners for the cost of such expenditures. While the Sponsor is in control of the Board of Managers, the reserve fund may not be used to reduce projected Common

Charges in the Plan. Please see SCHEDULE B and FOOTNOTES TO SCHEDULE B for a more complete explanation.

31) The Sponsor gives no warranty as to materials or workmanship that shall survive sale of a unit, except as required by the New York State Housing Merchant Implied Warranty Law, located in Part II of this Offering Plan at pages HM1-HM7. New York State General Business Law requires the builder of new dwelling consisting of five stories or less to provide a warranty to the Purchaser as follows:

(a) For one year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for the items not covered by code, the construction must be in accordance with locally accepted building practices.

(b) For two years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.

(c) For six years, the home must be free from physical defects in the structural elements (foundations, floors, walls, roof framing) which make it unsafe or unlivable.

The Housing Merchant Implied Warranty Law applies to the common elements and the limited common elements in conjunction with the units in the condominium. The Housing Merchant Implied Warranty Law does not apply to patent defects which an examination ought in the circumstances to have revealed. Purchasers are encouraged to examine the premises prior to going to contract to determine whether any patent defects exist, and again to perform a standard pre-closing walk-through inspection prior to closing. Sponsor shall not be liable for any patent defects that an examination ought in the circumstances to have revealed. The time frames specified above apply to latent defects. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the Sponsor pursuant to § 777-a of the General Business Law of the State of New York, and also pursuant to 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.

The Sponsor's obligations, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. 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 will be resolved in favor of the latter. Please see SCHEDULE A,

ARCHITECT'S REPORT, and RIGHTS AND OBLIGATIONS OF THE SPONSOR included in Part I of this Offering Plan and Exhibit A to the PURCHASE AGREEMENT on Page PA 13 included in Part II of this Offering Plan.

32) Sponsor is reserving the right to delay the collection of Common Charges beyond when they are due and payable. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law governing regulations. The Sponsor shall also be obligated to provide certified financial statements as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR.

33) In the event a purchaser takes possession of a unit prior to closing pursuant to an Interim Lease, upon a non-monetary default by Purchaser under the terms of the Interim Lease which is not cured within 30 days after notice thereof, or immediately after Purchaser exercises any right of rescission with respect to the Purchase Agreement, Purchaser's right to occupy the apartment will terminate, and PURCHASER must vacate the Unit. Purchaser shall pay to Sponsor a fee of \$1,000 for each day they remain in possession following the periods set forth above. Nothing contained herein shall be construed to limit Sponsor's ability to have Purchaser evicted from the premises and to pursue any other legal remedy available to Sponsor, nor shall anything herein be construed as a waiver by the Sponsor of its right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement. Sponsor shall not seek or accept release of any portion of a Purchaser's deposit until the offering plan has been consummated. See the SAMPLE INTERIM LEASE set forth in Part II of the Plan.

34) The square footage of the units listed in SCHEDULE A of this Offering Plan is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The square footage of each unit is based upon a “gross” square footage measurement. The square footage of each Unit is based upon the approximate distance horizontally approximately to the outside face of the masonry work at the exterior walls of the Building and approximately to the non-Unit side of the walls and partitions (dividing the units from corridors, stairs, and mechanical spaces). Dimensions shall be to the centerline when a partition divides two Units. As a result, the actual area comprising the condominium unit is significantly less than listed in Schedule A. The estimated square footage of each unit is based on the FLOOR PLANS and ARCHITECT’S REPORT set forth in Part II of this Offering Plan and may vary within reasonable tolerances from the “as-built” square footage as subsequently described in the condominium Declaration.

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

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

37) After the Property is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes

on other Units. There is often a gap in time between the date the New York City Department of Finance ("DOF") subdivides the separate tax lots for the individual units and the date the individual Units receive their own individual property tax bills. Purchasers shall be responsible for their real estate taxes from the date of their Unit closing even in the event that the DOF has not yet issued separate tax bills for the separate Unit tax lots. In such instance, Purchasers would be responsible for the portion of the building tax bill attributable to their Unit's percentage of common interest. If the Sponsor has prepaid property taxes for the Building, then the Purchaser shall be responsible for reimbursing the Sponsor for the portion of the tax bill attributable to their Unit from the date of the Unit closing. Please see the REAL ESTATE TAXES section of this Offering Plan.

38) The projected insurance coverage for the Building does not include officers' and directors' liability. Officers' and directors' liability is a type of coverage which protects members of the Board of Managers or officers of the condominium from any liability engendered by performance of their functions, to the extent such activities are within the scope of their designated capacities and do not constitute criminal acts by such officer(s) or manager(s). In the event the Condominium wishes to extend such insurance coverage to its directors and managers, same will represent an additional cost at then-current insurance rates, which are subject to variance. Please see SCHEDULE B and FOOTNOTES thereto for a more complete explanation.

39) Parking Units P1 and P2 are tandem parking units. The two motor vehicles parked in these spaces will be nose-to-end in tandem. Unit P1, the first motor vehicle, does not have independent access to its space. The motor vehicle parked at P2 must move in order for P1 to have access. Parking spaces measure approximately 8'-6" x 18'-0". The parking spaces are for the use of the owner occupants, exclusively. Sponsor may rent any off-street parking to non-occupants of the building, for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to occupants within 30 days after a written request made to the sponsor, by such occupants. The parking layout in the side yard is adequate to permit convenient access and maneuvering in accordance with regulations promulgated by the N.Y. City Department of Buildings. Please see DESCRIPTION OF PROPERTY AND IMPROVEMENTS and ARCHITECT'S REPORT located in this Plan.

40) Parking Unit P3 has been designated as an ADA-accessible parking unit and will be the last parking unit sold if not previously sold to a purchaser who themselves or a member of their family has a vehicle with disabled parking license plates. The purchase of Parking Unit P3 and any subsequent sales or transfers of it are subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and acquires disabled parking license plates for their vehicle, and said unit owner is the owner of the parking unit, said unit owner has the right to demand that the owner of the Parking Unit P3 trade the ADA-accessible parking unit they own with said disabled owner.

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and said unit owner does not own a parking unit, said unit owner has the right to demand that the owner of Parking Unit P3 sell it at its then current, fair market value to said disabled owner. All costs and expenses entailed in the transfer of title to the parking unit, including, without limitation, title abstracts, title insurance, transfer taxes, and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

The owner of Parking Unit P3 must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of Parking Unit P3 then the parties agree to submit the matter to binding arbitration in accordance with Article IX of the By-Laws of the Condominium. Please see DESCRIPTION OF PROPERTY AND IMPROVEMENTS located in Part I and the DECLARATION and BYLAWS located in Part II of this Offering Plan.

41) No contingency has been budgeted for the performance of legal services for the first year of condominium operation, and an attorney for the condominium has not been determined. It is not anticipated that any legal services would be required during the first year of operation. In the event that legal services are required, same will represent an additional cost to the condominium, which could render it necessary to increase Common Charges or separately assess all Unit Owners. The condominium board will determine the attorney for the condominium in the future. Please see SCHEDULE B and FOOTNOTES TO SCHEDULE B included in this Offering Plan.

42) 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 TCOs. 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 an 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 an FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its Principals make no representations or guarantee that DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in 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 an FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its Principals are obligated to procure the FCO.

It is the obligation of the Sponsor and its principals to procure the TCO. As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining a FCO. Sponsor will also use best efforts to extend the TCO; however, the TCO may lapse for reasons outside the Sponsor's control. Procuring an FCO is the obligation of the Sponsor and its principals. In the absence of a FCO or TCO it is unlawful to reside in or rent a unit and will be difficult for owners or purchasers to obtain financing and pass clear title.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have an 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](http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf). Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

43) Although construction of the subject premises will be completed by the first year of condominium operation, **THE PROJECTED REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION CONTAINED IN SCHEDULE A ARE BASED ON AN ASSESSMENT OF THE BUILDING BEFORE CONSTRUCTION IS COMPLETE. PURCHASERS ARE ADVISED THAT REAL ESTATE TAXES MAY INCREASE MATERIALLY WHEN THE BUILDING IS REASSESSED AFTER CONSTRUCTION IS COMPLETE.** Please see the FOOTNOTES SCHEDULE A, REAL ESTATE TAXES, and ASSESSED VALUE TAX OPINION LETTER sections of this Offering Plan for more information regarding the projected assessed valuation after completion of construction.

## **DEFINITIONS**

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

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

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

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

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

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

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

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

**Condominium:** The building that is the subject of this Offering Plan subsequent to recording of the Declaration of Condominium against the subdivided tax lots pursuant to the terms of this Offering Plan.

**Consummation of the Plan:** The filing of the Declaration of the condominium and the first transfer of title to a condominium Unit to at least one purchaser under the Plan following a declaration of effectiveness by the Sponsor.

**Declaration of Condominium (or “Declaration”):** The instrument creating the Condominium, the form of which is set forth in Part II of this Plan.

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

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

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

**Interim Lease:** A written agreement by which a Purchaser who has entered into a Purchase Agreement to purchase a Unit is permitted to occupy said Unit prior to the closing of title if the Unit is legal for occupancy.

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

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

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

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

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

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

**Sponsor:** 8324 24th Ave LLC, 7204 18th Avenue, Brooklyn, NY 11204.

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

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

**Working Capital Fund:** A fund intended to provide capital beginning at the commencement of Condominium operations be used to make repairs and improvements and for other appropriate purposes as determined by the Board of Managers.

## **INTRODUCTION**

This is an Offering Plan for the sale of residential condominium apartments at 8322 24th Avenue (a/k/a 2379 84th Street), Brooklyn, New York. The purpose of this plan is to set forth fully all material terms of the offer. This plan may be amended from time to time if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchase Agreement for any apartment, all unit owners, and all other persons entitled to service pursuant to 13 N.Y.C.R.R. § 20.3(d)(1).

The Sponsor of this offering is 8324 24th Ave LLC, a New York limited liability company formed on December 20, 2023, with an address at 9732 3rd Avenue, Brooklyn, NY 11209. The sole principal of the Sponsor is Michael Calabrese. The Sponsor acquired title to the property on March 14, 2024. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances other than the easements disclosed in the Terms of Sale section of this Offering Plan. Units will be conveyed by delivery of a UNIT DEED as set forth in Part II of this Offering Plan.

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

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

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

The premises will consist of a single building composed of a cellar and three stories, and containing, in aggregate, nine (9) residential units and six (6) parking units. The property is located in the Gravesend section of Brooklyn, New York. There will be no recreational facilities. The Sponsor will install in each unit a four-burner electric cooking range, Frigidaire model # GCFE3060BF or equivalent, a refrigerator, Frigidaire model #

FRTD2021AW or equivalent, a dishwasher, Frigidaire model # FFID2426TS or equivalent, and a microwave, Frigidaire model # BOTR30100SS or equivalent. There will be one laundry closet provided within each residential unit with hookups for a domestic, stackable type washer and electric dryers. The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see ARCHITECT'S REPORT / DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

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

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

This is a new building that does not involve the renovation of existing structures. Construction will be Class IB pursuant to the 2014 New York City Building Code. Construction is anticipated to be completed in November of 2025.

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

- (1) Each Unit Owner owns his/her Unit outright and is entitled to exclusive possession of such Unit. Each Unit Owner also has an interest in, and a right to use, Common Elements and exclusive right to use Limited Common Elements of the Building. However, each Unit Owner is obligated to comply with the Declaration, By-Laws, rules and regulations, and any other requirements of the Board of Managers.
- (2) Common Elements are parts of the Property which, in addition to his/her own Unit, a Unit Owner owns in common with the owners of all other Units, such as entryways, stairways, hallways, utility areas, and similar elements of the Building

that serve all Unit Owners. A Unit Owner will share the non-exclusive right to use the Common Elements with all other Unit Owners.

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by such Unit Owner(s). In this Condominium, Units 1A, 1B, and 1C will each include cellar area as part of the unit, plus a side yard area and two areaways allocated as limited common elements. Unit 2A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 2B will include two cellar storage closets, one cellar mechanical closet, and a roof terrace allocated as limited common elements. Unit 2C will include a cellar storage/mechanical closet, a cellar storage closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3B will include a cellar storage/mechanical closet and a roof terrace as limited common elements. Unit 3C will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Cellar storage areas are for storage of nonflammable items only, and may not be used for sleeping, cooking, and/or living purposes. No permanent structures may be erected in or on limited common elements; only temporary structures such as screen tents or sukkahs are permitted. The right to use and occupancy of the limited common elements is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs. Please see SCHEDULE A and the DESCRIPTION OF PROPERTY AND BUILDING CONDITION and BYLAWS included in Part II of this Offering Plan for a more complete explanation.

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(3) After filing of the Declaration, each Unit will be separately taxed and may be separately mortgaged. Subject to tax laws in existence at the time of deduction, each Unit Owner may possibly deduct real estate taxes and mortgage interest from adjusted gross income for income tax purposes. No Unit Owner will be responsible for payment of, or any lien arising out of nonpayment of, real estate taxes assessed against any other unit in the building.

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

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

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

(7) Unit Owners are responsible for maintenance and repairs to their individual Units.

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

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

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

The Sponsor has not obtained construction financing.

While the Sponsor will endeavor in good faith to sell all units, Sponsor is not limiting the conditions under which it will rent rather than sell units after the plan has been consummated. There is no commitment to sell more units than the 15% necessary to declare the plan effective, which in this Plan constitutes two (2) residential units. Owner-occupants, therefore, may never gain effective control and management of the condominium. Additionally, the By-Laws do not include a provision that after expiration of the initial Sponsor control period, a majority of the Board of Managers must be owner-occupants or member of an owner occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident Unit Owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment. If the Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor is bound by Sponsor's representation regarding its commitment to sell Units.

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

## **DESCRIPTION OF PROPERTY AND IMPROVEMENTS**

The structure which is the subject of this Offering Plan will consist of a single Building composed of a cellar and three stories, and will contain, in aggregate, nine (9) residential units and six (6) parking units. The Property is located in the Gravesend section of Brooklyn, New York. There will be no common recreational facilities. The Sponsor will install in each unit a four-burner electric cooking range, Frigidaire model # GCFE3060BF or equivalent, a refrigerator, Frigidaire model # FRTD2021AW or equivalent, a dishwasher, Frigidaire model # FFID2426TS or equivalent, and a microwave, Frigidaire model # BOTR30100SS or equivalent. There will be one laundry closet provided within each residential unit with hookups for a domestic, stackable type washer and electric dryers. The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see ARCHITECT'S REPORT / DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

There are no known environmental issues with the property.

Certain Units will have the right to exclusive use of portions of the Common Elements of the property. These areas are called Limited Common Elements. In this Condominium, Units 1A, 1B, and 1C will each include cellar area as part of the unit, plus a side yard area and two areaways allocated as limited common elements. Unit 2A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 2B will include two cellar storage closets, one cellar mechanical closet, and a roof terrace allocated as limited common elements. Unit 2C will include a cellar storage/mechanical closet, a cellar storage closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3A will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Unit 3B will include a cellar storage/mechanical closet and a roof terrace as limited common elements. Unit 3C will include a cellar storage/mechanical closet, a balcony, and a roof terrace allocated as limited common elements. Cellar storage areas are for storage of nonflammable items only, and may not be used for sleeping, cooking, and/or living purposes. No permanent structures may be erected in or on limited common elements; only temporary structures such as screen tents or sukkahs are permitted. The right to use and occupancy of the limited common elements is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs. Please see SCHEDULE A and

the DESCRIPTION OF PROPERTY AND BUILDING CONDITION and BYLAWS included in Part II of this Offering Plan for a more complete explanation.

Parking Units P1 and P2 are tandem parking units. The two motor vehicles parked in these spaces will be nose-to-end in tandem. Unit P1, the first motor vehicle, does not have independent access to its space. The motor vehicle parked at P2 must move in order for P1 to have access. Parking spaces measure approximately 8'-6" x 18'-0". The parking spaces are for the use of the owner occupants, exclusively. Sponsor may rent any off-street parking to non-occupants of the building, for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to occupants within 30 days after a written request made to the sponsor, by such occupants. The parking layout in the side yard is adequate to permit convenient access and maneuvering in accordance with regulations promulgated by the N.Y. City Department of Buildings.

Parking Unit P3 has been designated as an ADA-accessible parking unit and will be the last parking unit sold if not previously sold to a purchaser who themselves or a member of their family has a vehicle with disabled parking license plates. The purchase of Parking Unit P3 and any subsequent sales or transfers of it are subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and acquires disabled parking license plates for their vehicle, and said unit owner is the owner of the parking unit, said unit owner has the right to demand that the owner of the Parking Unit P3 trade the ADA-accessible parking unit they own with said disabled owner.

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and said unit owner does not own a parking unit, said unit owner has the right to demand that the owner of Parking Unit P3 sell it at its then current, fair market value to said disabled owner. All costs and expenses entailed in the transfer of title to the parking unit, including, without limitation, title abstracts, title insurance, transfer taxes, and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

The owner of Parking Unit P3 must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of Parking Unit P3 then the parties agree to submit the matter to binding arbitration in accordance with Article IX of the By-Laws of the Condominium. Please see SPECIAL RISKS located in Part I and the DECLARATION and BYLAWS located in Part II of this Offering Plan.

This is a new building that does not involve the renovation of existing structures. Construction will be Class IB pursuant to the 2014 New York City Building Code.

Construction is anticipated to be completed in November 2025.

The Property is currently vacant. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED as set forth in Part II of this Offering Plan.

The Sponsor will complete the work set forth in this plan relating to the building and the apartments contained therein in accordance with all applicable zoning and building laws, including, but not limited to, the Building Code of the City of New York, the New York City Administrative Code and the Zoning Resolution of 1961 as amended, and subject to procurement of all applicable and proper permits which are required, if any. All residential Units will be equipped with operable smoke and carbon monoxide detectors as required by the New York City Administrative Code. The Unit Owner is responsible for keeping safety warning devices (i.e., smoke detector and carbon monoxide detector) operational.

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

## **LOCATION AND AREA INFORMATION**

The premises are located in the Gravesend section of Brooklyn. This is a highly developed area essentially residential in character but served by a diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network of streets, roads, and urban transportation. Police, Fire, Water, Sanitation, snow removal, and road maintenance are provided by the City of New York. The 62nd Police Precinct serves the area. Maimonides Midwood Community Hospital is located less than three miles from the subject premises. The premises are located near Dyker Beach Park and Golf Course. The New Utrecht branch of the Brooklyn Public Library is located 1 mile from the premises. The premises are located in public school District 21. As of this writing, the local zoned public elementary school is P.S. 97, or students may choose any of the local religiously oriented schools. The D subway line serves the area and stops at Bay Parkway. The B1, B8, and B64 buses serve the area. The foregoing area information is believed to be accurate at the time of writing but is subject to change and is not within the control of the Sponsor.

Zoning of the site is R-5, which permits residential use as-of-right. There is no landmark designation of the site. There are no adjoining undeveloped areas of the site. Neither the Sponsor nor principal of the Sponsor own, in whole or in part, or have an option or right to acquire in whole or in part, any adjacent areas that are not fully developed.

SCHEDULE A  
PURCHASE PRICES AND ALLOCATION OF COMMON INTEREST  
The Panda Condominium  
8322 24th Avenue, Brooklyn, New York 11214  
First Year of Operation  
January 1, 2026 - December 31, 2026

| <u>Unit</u>              | <u>Habitable</u><br><u>Sq.</u><br><u>Ftg.</u><br><u>(1A)</u> | <u>Other</u><br><u>Sq.</u><br><u>Ftg.</u><br><u>(1B)</u> | <u>Bdms/</u><br><u>Bths</u><br><u>(2)</u> | <u>% of</u><br><u>General</u><br><u>Common</u><br><u>Interest</u><br><u>(3A)</u> | <u>% of</u><br><u>Residential</u><br><u>Common</u><br><u>Interest</u><br><u>(3B)</u> | <u>Offering</u><br><u>Price</u><br><u>(4)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>Common</u><br><u>Charges</u><br><u>(5)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>First Year</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(6)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>First Year</u><br><u>Carrying</u><br><u>Charges</u><br><u>(7)</u> | <u>Estimated</u><br><u>Annual</u><br><u>First Year</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(8)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>Post-Completion</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(9)</u> | <u>Post-Completion</u><br><u>Estimated</u><br><u>Annual</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(10)</u> | <u>Post-Completion</u><br><u>Estimated</u><br><u>Monthly</u><br><u>Carrying</u><br><u>Charges</u><br><u>(11)</u> |
|--------------------------|--------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| <u>Residential Units</u> |                                                              |                                                          |                                           |                                                                                  |                                                                                      |                                               |                                                                                     |                                                                                                             |                                                                                                            |                                                                                                            |                                                                                                                  |                                                                                                                  |                                                                                                                  |
| 1A                       | 1,052                                                        | 1,242                                                    | 2/2.5                                     | 13.61%                                                                           | 13.51%                                                                               | \$1,075,000                                   | \$380.26                                                                            | \$566.12                                                                                                    | \$946.38                                                                                                   | \$6,793.39                                                                                                 | \$948.27                                                                                                         | \$11,379.20                                                                                                      | \$1,328.53                                                                                                       |
| 1B                       | 901                                                          | 912                                                      | 2/1.5                                     | 10.71%                                                                           | 11.20%                                                                               | \$979,000                                     | \$299.25                                                                            | \$469.10                                                                                                    | \$768.34                                                                                                   | \$5,629.16                                                                                                 | \$785.76                                                                                                         | \$9,429.08                                                                                                       | \$1,085.00                                                                                                       |
| 1C                       | 929                                                          | 1,003                                                    | 2/2.5                                     | 11.87%                                                                           | 11.70%                                                                               | \$1,050,000                                   | \$331.65                                                                            | \$490.18                                                                                                    | \$821.83                                                                                                   | \$5,882.20                                                                                                 | \$821.08                                                                                                         | \$9,852.93                                                                                                       | \$1,152.73                                                                                                       |
| 2A                       | 1,051                                                        | 417                                                      | 2/2                                       | 10.96%                                                                           | 11.46%                                                                               | \$969,000                                     | \$306.20                                                                            | \$480.00                                                                                                    | \$786.21                                                                                                   | \$5,760.05                                                                                                 | \$804.03                                                                                                         | \$9,648.31                                                                                                       | \$1,110.23                                                                                                       |
| 2B                       | 820                                                          | 344                                                      | 2/1                                       | 8.59%                                                                            | 8.99%                                                                                | \$779,000                                     | \$240.14                                                                            | \$376.44                                                                                                    | \$616.58                                                                                                   | \$4,517.29                                                                                                 | \$630.55                                                                                                         | \$7,566.65                                                                                                       | \$870.69                                                                                                         |
| 2C                       | 1,051                                                        | 398                                                      | 2/2                                       | 10.91%                                                                           | 11.41%                                                                               | \$969,000                                     | \$304.94                                                                            | \$478.03                                                                                                    | \$782.97                                                                                                   | \$5,736.36                                                                                                 | \$800.72                                                                                                         | \$9,608.64                                                                                                       | \$1,105.66                                                                                                       |
| 3A                       | 1,051                                                        | 367                                                      | 2/2                                       | 10.84%                                                                           | 11.33%                                                                               | \$969,000                                     | \$302.89                                                                            | \$474.81                                                                                                    | \$777.70                                                                                                   | \$5,697.72                                                                                                 | \$795.33                                                                                                         | \$9,543.91                                                                                                       | \$1,098.22                                                                                                       |
| 3B                       | 820                                                          | 341                                                      | 2/1                                       | 8.59%                                                                            | 8.98%                                                                                | \$779,000                                     | \$239.94                                                                            | \$376.13                                                                                                    | \$616.07                                                                                                   | \$4,513.55                                                                                                 | \$630.03                                                                                                         | \$7,560.38                                                                                                       | \$869.97                                                                                                         |
| 3C                       | 1,051                                                        | 401                                                      | 2/2                                       | 10.92%                                                                           | 11.42%                                                                               | \$969,000                                     | \$305.14                                                                            | \$478.34                                                                                                    | \$783.49                                                                                                   | \$5,740.10                                                                                                 | \$801.24                                                                                                         | \$9,614.90                                                                                                       | \$1,106.39                                                                                                       |
| Residential<br>Total     | 8,726                                                        | 5,425                                                    |                                           | 97.00%                                                                           | 100.00%                                                                              | \$8,538,000                                   | \$2,710.42                                                                          | \$4,189.15                                                                                                  | \$6,899.57                                                                                                 | \$50,269.84                                                                                                | \$7,017.00                                                                                                       | \$84,204.00                                                                                                      | \$9,727.42                                                                                                       |
|                          |                                                              |                                                          |                                           |                                                                                  |                                                                                      |                                               |                                                                                     |                                                                                                             |                                                                                                            |                                                                                                            |                                                                                                                  |                                                                                                                  |                                                                                                                  |
| <u>Unit</u>              | <u>Habitable</u><br><u>Sq.</u><br><u>Ftg.</u><br><u>(1A)</u> | <u>Other</u><br><u>Sq.</u><br><u>Ftg.</u><br><u>(1B)</u> | <u>Bdms/</u><br><u>Bths</u><br><u>(2)</u> | <u>% of</u><br><u>General</u><br><u>Common</u><br><u>Interest</u><br><u>(3A)</u> | <u>% of</u><br><u>Parking</u><br><u>Common</u><br><u>Interest</u><br><u>(3B)</u>     | <u>Offering</u><br><u>Price</u><br><u>(4)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>Common</u><br><u>Charges</u><br><u>(5)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>First Year</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(6)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>First Year</u><br><u>Carrying</u><br><u>Charges</u><br><u>(7)</u> | <u>Estimated</u><br><u>Annual</u><br><u>First Year</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(8)</u> | <u>Estimated</u><br><u>Monthly</u><br><u>Post-Completion</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(9)</u> | <u>Post-Completion</u><br><u>Estimated</u><br><u>Annual</u><br><u>Real Estate</u><br><u>Taxes</u><br><u>(10)</u> | <u>Post-Completion</u><br><u>Estimated</u><br><u>Monthly</u><br><u>Carrying</u><br><u>Charges</u><br><u>(11)</u> |
| <u>Parking Units</u>     |                                                              |                                                          |                                           |                                                                                  |                                                                                      |                                               |                                                                                     |                                                                                                             |                                                                                                            |                                                                                                            |                                                                                                                  |                                                                                                                  |                                                                                                                  |
| P1*                      |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| P2*                      |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| P3                       |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| P4                       |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| P5                       |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| P6                       |                                                              | 153                                                      | parking                                   | 0.50%                                                                            | 16.67%                                                                               | \$60,000                                      | \$13.97                                                                             | \$54.74                                                                                                     | \$68.71                                                                                                    | \$656.86                                                                                                   | \$86.89                                                                                                          | \$1,042.67                                                                                                       | \$100.86                                                                                                         |
| Parking Total            |                                                              | 918                                                      |                                           | 3.00%                                                                            | 100.00%                                                                              | \$360,000                                     | \$83.82                                                                             | \$328.43                                                                                                    | \$412.25                                                                                                   | \$3,941.17                                                                                                 | \$521.33                                                                                                         | \$6,256.00                                                                                                       | \$605.15                                                                                                         |
| Total                    | 8,726                                                        | 6,343                                                    |                                           | 100.00%                                                                          |                                                                                      | \$8,898,000                                   | \$2,794.00                                                                          | \$4,517.58                                                                                                  | \$7,311.82                                                                                                 | \$54,211.00                                                                                                | \$7,538.33                                                                                                       | \$90,460.00                                                                                                      | \$10,332.57                                                                                                      |

Notes:

\*Parking Units P1 and P2 are tandem parking units. The two motor vehicles parked in these spaces will be nose-to-end in tandem. Unit P1, the first motor vehicle, does not have independent access to its space. The motor vehicle parked at P2 must move in order for P1 to have access. Please see SPECIAL RISKS and ARCHITECT'S REPORT located in this Plan.

- 1) As part of the Other Square Footage listed above, Unit 1A will have cellar accessory space of 781 sf. Unit 1B will have cellar accessory space of 676 sf. Unit 1C will have cellar accessory space of 785 sf. These cellar accessory spaces may not be used for cooking, living, or sleeping purposes and may not be rented independently. To do so could result in a violation that would be the obligation of the Unit Owner to cure. Additionally, as part of the Other Square Footage listed above, each unit will have the following Limited Common Elements:

Unit 1A: Side Yard 447 sf, Areaway 7 sf, Areaway 7 sf

Unit 1B: Side Yard 222 sf, Areaway 7 sf, Areaway 7 sf

Unit 1C: Side Yard 204 sf, Areaway 7 sf, Areaway 7 sf

Unit 2A: Cellar Stor/Mech Closet 35 sf, Balcony 50 sf, Roof Terrace 332 sf

Unit 2B: Cellar Storage Closet 22 sf, Cellar Storage Closet 8 sf, Cellar Mech. Closet 9 sf, Roof Terrace 305 sf

Unit 2C: Cellar Stor/Mech Closet 17 sf, Cellar Storage Closet 26 sf, Balcony 50 sf, Roof Terrace 305 sf

Unit 3A: Cellar Stor/Mech Closet 33 sf, Balcony 50 sf, Roof Terrace 284 sf

Unit 3B: Cellar Stor/Mech Closet 36 sf, Roof Terrace 305 sf

Unit 3C: Cellar Stor/Mech Closet 44 sf, Balcony 50 sf, Roof Terrace 307 sf

All square footages are approximate. No structures of any kind may be built in or on these limited common elements except for temporary structures such as sukkots. Additionally, the limited are not common element spaces habitable and may not be used for sleeping or dining. The right to use and occupancy is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs, provided that the Condominium provides the owners reasonable notice of access. Please see the DESCRIPTION OF PROPERTY AND IMPROVEMENTS included in Part I of this Offering Plan and the DESCRIPTION OF PROPERTY AND BUILDING CONDITION / ARCHITECT'S REPORT included in Part II of this Offering Plan for a more complete explanation.

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

- 3) Parking Unit P3 has been designated as an ADA-accessible parking unit and will be the last parking unit sold if not previously sold to a purchaser who themselves or a member of their family has a vehicle with disabled parking license plates. The purchase of Parking Unit P3 and any subsequent sales or transfers of it are subject to covenants and restrictions in the deed. Please see SPECIAL RISKS included in Part I and DECLARATION and BY-LAWS included in Part II of this Offering Plan for a more complete explanation.

- 4) Although construction of the subject premises will be completed by the first year of condominium operation, **THE SPONSOR DOES NOT ANTICIPATE THAT THE REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION WILL REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY. PURCHASERS ARE ADVISED THAT THEIR REAL ESTATE TAXES MAY INCREASE MATERIALLY IN THE SECOND YEAR OF OPERATION TO REFLECT THE FULL POST-COMPLETION ASSESSED VALUE.** Please see Columns 9 through 11 above for projections of post-completion second year real estate taxes. Please see also SPECIAL RISKS, REAL ESTATE TAXES, and REAL ESTATE TAXES OPINION LETTER located in this Offering Plan.

## **FOOTNOTES TO SCHEDULE A**

1. The square footage in SCHEDULE A is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The square footage of each Unit is based upon the approximate distance horizontally approximately to the outside face of the masonry work at the exterior walls of the Building and approximately to the non-Unit side of the walls and partitions (dividing the units from corridors, stairs, and mechanical spaces). Dimensions shall be to the centerline when a partition divides two Units. As a result, the actual area comprising the condominium Unit is less than listed in Schedule A. All square footages are approximate. The estimated square footage of each Unit is based on the FLOOR PLANS and ARCHITECT'S DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan, and may vary within reasonable tolerances from the "as-built" square footage as subsequently described in the condominium Declaration.
2. The room count is based on the method suggested by the Real Estate Board of New York. This method counts each fully partitioned room as one room, and each bathroom containing a sink, toilet, and shower or bath as a full bathroom. Multi-use rooms, such as living/dining rooms are counted as a single room. Baths that do not include a tub or shower are counted as half baths. See the section entitled DESCRIPTION OF PROPERTY AND BUILDING CONDITION, and FLOOR PLANS, both of which are included in Part II of this Offering Plan, for a more complete description of each apartment. Additionally, the square footage set forth in SCHEDULE A is approximate, and may differ, from the square footage specified for this unit in Schedule B to the Condominium Declaration.
3. The determination of percentages of Common Interest allocated to each Unit is based upon floor area, subject to such other items of relative value as the location of the apartment within the building; uniqueness of the apartment; the availability of common elements for exclusive or shared use; and the overall dimensions of a particular Unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.
4. Across-the-board changes in Unit prices, advertised price changes, and increases in individual Unit prices may be made only by an amendment duly filed with the New York State Department of Law; however, individually negotiated reductions in the purchase price of a Unit may be made without prior amendment. Purchasers will also incur certain

closing costs in connection with the purchase of their Unit. See CHANGES IN PRICES IN UNITS and CLOSING COSTS AND ADJUSTMENTS sections of this Offering Plan.

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

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

7. First year monthly carrying charges are composed of the monthly Common Charges and the monthly real estate taxes projected against each Unit.

Residential Unit Owners who itemize their deductions should, for federal income tax purposes, be entitled to a deduction for real estate taxes in the year in which same are paid or accrued subject to the limits imposed by the Tax Cuts and Jobs Act of 2017, subject to provisions scheduled to expire in 2025. The projected tax deduction may vary in future years due to changes in the interest rate on the unit owner's mortgage (if any), or from changes in the allocation of constant debt service payments to interest and principal; or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, tax rates, or the method of assessing real property; or from changes in the tax laws governing deductibility of mortgage interest and real estate taxes. Please see the TAX OPINION LETTER set forth in this Offering Plan for a more complete explanation. Carrying charges do not include certain costs for which the unit owner is responsible, such as repairs to the interior of the unit, separate metered electricity, hot water, heat, air conditioning, and cable television service. Please see SCHEDULE B-1 for estimates of individual utility charges.

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

The Sponsor expects that construction will be completed September of 2025.

Although renovation of the subject premises will be completed by the first year of condominium operation, **THE SPONSOR DOES NOT ANTICIPATE THAT THE REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION WILL REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY. PURCHASERS ARE ADVISED THAT THEIR REAL ESTATE TAXES ARE LIKELY TO INCREASE MATERIALLY IN THE SECOND YEAR OF CONDOMINIUM OPERATION TO REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY.** Please see Paragraph 10, below, for a discussion of post-completion assessed value and real estate taxes.

As the first year of condominium operation is expected to commence on January 1, 2026 and the NYC property tax year commences on July 1<sup>st</sup> each year, the anticipated first year of condominium operation therefore encompasses a blended year consisting of two tax years (2025/2026 and 2026/2027) and does not reflect the full post-completion assessed value of the Property after completion of construction. On January 15, 2025, DOF issued a Notice of Property Value ("NOPV") for the entire Property with an estimated annual property tax of \$17,961.63 for the 2025/2026 tax year commencing July 1, 2025. This estimated tax of \$17,961.63 is based upon a taxable assessed value of \$143,693 and a Tax Class 2A rate of 12.500%. Sponsor has received an estimate dated October 15, 2024 from MGNY Consulting Corp., 109 East 9<sup>th</sup> Street, Ground Fl., New York, NY 10003 ("MGNY"), of an estimated tax liability of the entire Property for the post-completion 2026/2027 tax year. MGNY projects a total tax liability for the residential Units for the 2026/2027 tax year to be \$84,204, which is based on a Tax Class 1A tax rate of 20.085% on the residential Units' projected 2026/2027 post-completion assessed value of \$419,240. In addition, MGNY projects a tax liability of the parking Units for the 2026/2027 tax year to be \$6,256, which is based on the parking Units' projected 2026/2027 post-completion assessed value of \$59,063. The projected post-completion assessed value for the entire Property for the 2026/2027 tax year is therefore anticipated to be \$90,460 (\$84,204 + \$6,256).

The commencement of the first year of condominium operation, January 1, 2026, coincides with the commencement of the latter half of the 2025/2026 tax year. The tax due for the first half of the first year of condominium operation is \$8,981, which is half of the projected annual tax liability on the Property for the 2025/2026 tax year. The remainder of the first year of condominium operation, July 1, 2026 through December 31, 2026, coincides with the first half of the 2026/2027 tax year, which is anticipated to reflect the post-completion assessed value for the Property. The tax due for the remainder of the first year of operation is estimated to be a total of \$45,230 based on one-half of the value of the estimated post-completion value of the taxes for the entire Property for the 2026/2027 tax year of \$90,460. Therefore, the tax burden for the entire Property for the first year of condominium operation is estimated to be \$54,211, which reflects the sum of the tax burden for the latter half of 2025/2026 tax year, plus the tax burden for the first half of 2026/2027 tax year.

Schedule A real estate taxes are calculated by applying the current tax rate to the assessed property value, and then allocating the resulting taxes in proportion to the allocation of Common Interest that each unit bears in relation to all other units of its type and are proportional to said unit's Common Interest in the whole condominium. Sponsor makes no representation, however, that DOF will actually apportion the real estate taxes for each unit based on common interest, as the city is not bound by this method of allocation.

All figures are estimates. Unit Owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes subject to the limits imposed by the Tax Cuts and Jobs Act of 2017, subject to the provisions that expire in 2025. Each potential purchaser is strongly encouraged to consult with his or her own tax advisor concerning the deductibility of real estate taxes in his or her specific situation.

Until the units are separately assessed for real estate taxes, real estate taxes for the property shall be paid by the condominium (although no such payment is provided for in Schedule B) as a general common expense and each Unit Owner shall pay additional common charges (which are not reflected in the estimated common charges for the unit as set forth in Schedule A) equal to the applicable unit's pro rata share, based upon the common interest of the applicable unit, of such real estate taxes for the property for such period. If real estate taxes are charged to Unit Owners as additional common charges for any period with respect to which the units shall not have been separately assessed, then a Unit Owner's payment of such additional common charges shall be in lieu of payment by such Unit Owner to the city of real estate taxes (which otherwise might have been

assessed against the unit as a separate tax lot) for such period. As set forth in the By-Laws, after the units are separately assessed for real estate tax purposes, the Board of Managers as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their units based on the assessed valuation of such units and shall likewise reimburse any Unit Owners for overpayment of taxes. Although the condominium will be obligated to pay the real estate taxes for the property until the Units are separately assessed, it is possible that Purchaser's lender may, nevertheless, require that Purchaser escrow with such lender for real estate taxes for such period.

9. The calculations for the projected monthly real estate taxes for the post-completion second year of operation for each unit are based on 1/12 of the projected annual real estate taxes for the post-completion second year of operation for each unit. For a more detailed explanation of the projected real estate taxes for the post-completion second year of operation, please see Footnote 10 below.

10. Sponsor has received an estimate dated October 15, 2024 from MGNY Consulting Corp., 109 East 9<sup>th</sup> Street, Ground Fl., New York, NY 10003 ("MGNY"), of an estimated tax liability of the entire Property for the post-completion 2026/2027 tax year. MGNY projects a total tax liability for the residential Units for the 2026/2027 tax year to be \$84,204, which is based on a Tax Class 1A tax rate of 20.085% on the residential Units' projected 2026/2027 post-completion assessed value of \$419,240. In addition, MGNY projects a tax liability of the parking Units for the 2026/2027 tax year to be \$6,256, which is based on the parking Units' projected 2026/2027 post-completion assessed value of \$59,063. The projected post-completion assessed value for the entire Property for the 2026/2027 tax year is therefore anticipated to be \$90,460 (\$84,204 + \$6,256).

11. Post-completion second year monthly carrying charges are composed of the monthly common charges and the monthly real estate taxes projected against each unit.

## **SCHEDULE B**

### BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

#### THE PANDA CONDOMINIUM

January 1, 2026 – December 31, 2026

#### **INCOME**

|                |           |
|----------------|-----------|
| Common Charges | \$ 33,528 |
|----------------|-----------|

#### **EXPENSES**

|         |        |
|---------|--------|
| Gas (1) | \$ -0- |
|---------|--------|

|                 |          |
|-----------------|----------|
| Electricity (2) | \$ 1,303 |
|-----------------|----------|

|                     |          |
|---------------------|----------|
| Water and Sewer (3) | \$ 8,550 |
|---------------------|----------|

|                             |          |
|-----------------------------|----------|
| Repairs and Maintenance (4) | \$ 2,500 |
|-----------------------------|----------|

|                           |          |
|---------------------------|----------|
| Services and Supplies (5) | \$ 2,000 |
|---------------------------|----------|

|               |          |
|---------------|----------|
| Insurance (6) | \$ 7,000 |
|---------------|----------|

|                               |          |
|-------------------------------|----------|
| Legal and Accounting Fees (7) | \$ 3,000 |
|-------------------------------|----------|

|           |          |
|-----------|----------|
| Labor (8) | \$ 3,775 |
|-----------|----------|

|                |        |
|----------------|--------|
| Management (9) | \$ -0- |
|----------------|--------|

|                            |          |
|----------------------------|----------|
| Miscellaneous Reserve (10) | \$ 2,000 |
|----------------------------|----------|

|                           |                 |
|---------------------------|-----------------|
| Capital Reserve Fund (11) | <u>\$ 3,400</u> |
|---------------------------|-----------------|

|       |           |
|-------|-----------|
| Total | \$ 33,528 |
|-------|-----------|

Note: All figures are rounded to the nearest dollar.

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

THE 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.

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

PURCHASERS SHOULD ALSO NOTE THAT EVEN IF THE FIRST CLOSING OCCURS ON OR BEFORE THE DATE PROJECTED AS THE DATE OF COMMENCEMENT OF OPERATION AT THE TIME THE PURCHASE AGREEMENT WAS ENTERED INTO OR WITHIN THE TWELVE (12) MONTH PERIOD THEREAFTER, THE CLOSING OF SUBSEQUENT UNITS MAY BE SUBSTANTIALLY DELAYED BEYOND SUCH DATES IF A TEMPORARY CERTIFICATE OF OCCUPANCY HAS NOT BEEN ISSUED FOR SUCH UNITS OR FOR THE FLOOR ON WHICH SUCH UNITS ARE LOCATED. IN SUCH CASE, PROVIDED THAT THE SPONSOR IS DILIGENTLY PURSUING COMPLETION OF CONSTRUCTION AND ISSUANCE OF A CERTIFICATE OF OCCUPANCY AND IS OTHERWISE IN COMPLIANCE WITH ITS OBLIGATIONS UNDER THE PLAN, A PURCHASER WILL NOT BE ENTITLED TO A RIGHT OF RESCISSION OR TO MAKE CLAIMS AGAINST THE SPONSOR FOR DAMAGES OR LOSSES AS A RESULT OF SUCH DELAYS AND WILL NOT BE EXCUSED FROM PAYING THE FULL PURCHASE PRICE FOR THE UNIT. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATIONS AS TO WHETHER TO PURCHASE A UNIT. IN THE EVENT, HOWEVER, SPONSOR CANNOT CONVEY TITLE TO THE UNIT ON OR BEFORE TWELVE (12) MONTHS FROM THE DATE OF THE PURCHASE AGREEMENT, AFFECTED PURCHASERS WILL BE OFFERED A RIGHT OF RESCISSION.

## **FOOTNOTES TO SCHEDULE B**

1. Gas: There will be no gas service to this Building. The Building will use electricity for domestic heat, hot water, and cooking.
2. Electricity: The Sponsor has obtained an estimate dated August 5, 2024, from Around Electric, 7024 18<sup>th</sup> Avenue, Brooklyn, NY 11204, of approximately 4,527 kilowatt hours per year of electrical usage for the common areas. The projection in SCHEDULE B is based on a rate of approximately 26.17 cents per kilowatt hour plus a 10% allowance for inflation. Purchasers shall be responsible for individual electricity costs for their own units.
3. Water and Sewer: Water supply and combined sewer servicing of the Building will be provided by the City of New York. The budgeted figure anticipates 328,500 gallons of annual usage for the residential units and combined water and sewer fees of \$11.63 per 100 cubic feet of water consumed. The projected figure also includes a 10% allowance for inflation.
4. Repairs and Maintenance: The budgeted figure is based on normal maintenance and repairs to the common elements of the building and its systems and equipment. Insofar as this is a newly constructed building it is not anticipated that any major repairs will be required. The budget includes items of regular maintenance, such as cleaning, painting and minor mechanical, carpentry, or electrical work, which are budgeted, in aggregate, at \$700. In addition, \$1,800 is budgeted for monthly inspection and testing of the sprinkler system. Individual unit owners will be responsible for the cost of interior repairs, and decorations, and painting of their respective apartments, including appliances.
5. Services and Supplies: These include items expected to be consumed in the normal course of building operation, including light bulbs, cleaning supplies, paints, and hardware items.
6. Insurance: Sponsor has received a letter dated July 25, 2024, from BDI Insurance Agency, 208 Lenox Avenue, Suite 329, Westfield, NJ 07090, estimating the cost of coverage for the Building in the following coverage amounts:

|            |                                                     |
|------------|-----------------------------------------------------|
| Building   | \$2,500,000 full replacement cost                   |
| Rent Loss  | Actual loss up to 12 months                         |
| Liability  | \$1,000,000 Per Occurrence<br>\$2,000,000 Aggregate |
| Deductible | \$5,000                                             |

The policy waives co-insurance and is written on a replacement cost basis. The replacement cost valuation is based on the actual construction cost of the building and should be revised and adjusted as necessary each year to keep up with inflation. The policy does not guarantee the replacement of individual fixtures and improvements installed by individual unit owners. This policy waives a standard co-insurance clause, so that no insured thereunder shall be a co-insurer. The policy will provide that:

- (i) each unit owner will be an additional insured;
- (ii) there will be no cancellation without notice to the Board of Managers and individual unit owners;
- (iii) will waive subrogation;
- (iv) will waive invalidity because of the acts of the insured and individual unit owners;
- (v) and, will waive pro rata reduction if individual unit owners obtain additional individual coverage.

The policy does not include coverage for officers' and directors' liability, New York State Disability, or Workers' Compensation insurance. Purchasers are advised of the desirability of obtaining additional insurance, at their own cost and expense, to cover such risk as fire and casualty losses to unit contents, replacements, additions, upgraded fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on the limited common elements pertinent to the units.

7. Legal and Accounting Fees: This figure is based on an estimate dated January 11, 2024, received from Joseph R. Ambroso, Certified Public Accountant, 31 Burgoyne Avenue, Lake George, New York 12845, for preparation of certified audited financial statements for the first year of operation and City, State and Federal tax returns, which estimate was \$3,000.00. No contingency has been budgeted for the performance of legal

services. If the condominium decides to hire an attorney, additional costs will be incurred.

8. Labor: The budgeted figure anticipates one part-time superintendent/porter performing ordinary cleaning and maintenance and working approximately 10 hours per month at an hourly rate of \$25.00.

The budgeted figure also includes FICA, New York State Unemployment Insurance, Federal Unemployment Insurance, Workers Compensation and Disability Insurance, and also meets state minimum wage laws. Superintendent services are available on a 24-hour a day basis for an additional charge. The budgeted figure does not anticipate use of union personnel, which would result in a higher annual cost, and would require a concomitant increase in common charges. The anticipated level of staffing complies with all applicable housing and labor statutes. The superintendent/porter will be able to provide regular maintenance services such as replacement of light bulbs, trash removal, common area cleaning, snow removal, etc. Plumbing, electrical, mechanical or carpentry work will require the engagement of personnel for those purposes.

The budgeted figure is based upon the assumption that a superintendent's apartment will not be built and used by the employee free of charge as part of his or her salary. Sections 27-2053 and 27-2054 of the Administrative Code of the City of New York provide that janitorial services must be provided in a multiple dwelling of 9 or more dwelling units and that the person who performs such janitorial services (other than where janitorial services are performed on a 24-hour-a-day basis in a manner approved by the NYC Department of Housing Preservation and Development ("HPD")) must reside in or within a distance of one block or 200 feet from the building, whichever is greater, unless the owner resides in the building. However, "owner" is defined broadly and is generally considered to include unit owners. While the Condominium Board shall endeavor to hire a part-time superintendent living within the requisite one block or 200 feet from the Building or to retain a 24-hour a day janitorial service in accordance with the requirements of HPD, the Sponsor anticipates the presence of resident owners and therefore anticipates that the governing statutes will accordingly be satisfied. Activities which the unit owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping, and minor repairs.

9. Management: During the first year of operation, the Sponsor will manage the condominium free of charge. Thereafter, Should the Board of Managers elect to employ the services of a managing agent, this will represent an additional cost of approximately 10%-20% of the annual operating budget, which would require a concomitant increase in the common charges.

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

10. The miscellaneous budgeted item is intended to provide a cushion for unforeseen costs.

11. The projected item is intended to provide an opportunity for the condominium to accrue a reserve for future expense for repair or replacement of major mechanical systems or structural elements of the building. The capital reserve fund may not be used for regular operating expenses or to reduce the monthly common charges. In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. However, in the Sponsors' estimation, and in view of the fact that all major building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan.

**SCHEDULE B1**  
**January 1, 2026 – December 31, 2026**

Each Unit shall be separately metered for electricity for light, heating, hot water, air conditioning, cooking, and clothes drying, and each Unit Owner shall be responsible directly to the electric utility for the cost of electricity consumed within or for his or her Unit. The attached Exhibit A includes annual estimates obtained on August 5, 2024, from Around Electric, 7024 18<sup>th</sup> Avenue, Brooklyn, NY 11204, for the cost of providing electricity for light, heating, hot water, air conditioning, cooking, and clothes washing/drying for each residential dwelling Unit.

Electricity costs are based upon a rate of approximately \$0.2617 per kilowatt hour. A 10% inflation factor and applicable state and local taxes are included in the attached Exhibit A figures.

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

**SCHEDULE B1 - EXHIBIT A**

**8322 24th Avenue (a/k/a 2378 84th Street), Brooklyn, New York**

| <u>Unit</u> | Annual<br>Electricity             |                                        | Estimated<br><u>Cost</u> | Inflation<br>Factor<br><u>(10%)</u> | <b>Estimated<br/>Annual<br/>Total</b> |
|-------------|-----------------------------------|----------------------------------------|--------------------------|-------------------------------------|---------------------------------------|
|             | Usage<br>Estimate<br><u>(kWH)</u> | Electricity<br>Rate<br><u>(\$/kWH)</u> |                          |                                     |                                       |
| 1A          | 16,857                            | \$0.2617                               | \$4,411.43               | \$441.14                            | \$4,852.57                            |
| 1B          | 14,684                            | \$0.2617                               | \$3,842.91               | \$384.29                            | \$4,227.20                            |
| 1C          | 14,580                            | \$0.2617                               | \$3,815.70               | \$381.57                            | \$4,197.27                            |
| 2A          | 12,576                            | \$0.2617                               | \$3,291.23               | \$329.12                            | \$3,620.35                            |
| 2B          | 10,735                            | \$0.2617                               | \$2,809.33               | \$280.93                            | \$3,090.26                            |
| 2C          | 12,576                            | \$0.2617                               | \$3,291.23               | \$329.12                            | \$3,620.35                            |
| 3A          | 12,576                            | \$0.2617                               | \$3,291.23               | \$329.12                            | \$3,620.35                            |
| 3B          | 12,576                            | \$0.2617                               | \$3,291.23               | \$329.12                            | \$3,620.35                            |
| 3C          | 12,576                            | \$0.2617                               | \$3,291.23               | \$329.12                            | \$3,620.35                            |

## **CHANGES IN PRICES AND UNITS**

Offering prices set forth in SCHEDULE A of this Offering Plan must be changed by an amendment duly filed with the New York State Department of Law when the change in price is decreased affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. However, prices are negotiable, and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower than those set forth in SCHEDULE A without filing an amendment prior to entering such agreement, as per FOOTNOTES TO SCHEDULE A.

No change will be made in the size or number of Units, and/or their respective percentage of Common Interest, and no material change will be made in the size or quality of Common Elements except by amendment to the Plan and, when applicable, to the Declaration. If a Purchase Agreement has been executed and delivered to the Sponsor for that Unit, then no material change will be made in Unit size, layout, or percentage of Common Interest unless the affected Purchaser consents. No material change will be made in the size, and no material adverse change will be made in the quality, of Common Elements unless all Purchasers consent. No change of any type set forth in this paragraph shall be made except by amendment duly filed with the New York State Department of Law.



8/8/24

**COMPLIANCE WITH REAL PROPERTY LAW 339-(i)(1)**

**8324 24<sup>th</sup> Ave LLC  
9732 3<sup>rd</sup> Avenue  
Brooklyn, NY 11209**

Dear Michael Calabrese,

You have requested an opinion from us with regards to your allocation of common interest to units in your proposed condominium at **2379 84<sup>th</sup> Street** Brooklyn, New York, with Section 339-(i)(1) of the New York Real Property Law. You have informed us that the method of allocation chosen is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit. Based on our review of the foregoing factors, we have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339(i)(1)(iv) of the New York State Real Property Law.

I have been a licensed real estate broker for in excess of 36 years and have managed approximately 20 total buildings in this area over 36 years with extensive experience in the sale, management, and rental of cooperative and condominium units in Kings County. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in offering plans for the sales thereof. We are not, in any way, associated with you or any other participant in the project, and have no beneficial interest in your business, or in profitability of the project. This is an opinion only as to the relative value of each unit in relation to the value of the project as a whole; is strictly based on the information provided to us in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as a guarantee of the actual value of any individual unit. We consent to the inclusion of this letter in your Offering Plan.

Sincerely,



Wade Jabour  
Licensed Real Estate Broker

**8704 third avenue brooklyn, ny 11209 718-748-1800**

## INTERIM LEASE

The Sponsor may, at Sponsor's option, extend an Interim Lease to any Purchaser who has executed a Purchase Agreement for a Unit at the subject premises and is not in default thereon. It shall be in the Sponsor's sole and exclusive discretion as to whether or not to offer an Interim Lease. The Sponsor may, for any or for no reason, refuse to offer an Interim Lease to any Purchaser. The Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status, or any other grounds prohibited by law. Interim Leases or short-term leases shall not be offered to any party who has not executed a Purchase Agreement for a Unit. The Interim Lease shall not create a landlord-tenant relationship but shall be deemed the use and occupancy agreement and part of the Purchase Agreement.

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

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

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

## **PROCEDURE TO PURCHASE**

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

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

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

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

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

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

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

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

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

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

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

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

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

The Purchase Agreement does not require arbitration of disputes concerning the disposition of escrowed funds.

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

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

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

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

The escrow agent shall release the Deposit if so directed:

- (a) pursuant to terms and conditions set forth in the Escrow Agreement and Purchase Agreement upon closing of title to the unit; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable judgment or order of a court of competent jurisdiction.

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

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

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan, or an amendment to the Plan; or
- (b) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

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

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

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

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

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

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

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

The first closing of a Unit is expected to occur on or about January 1, 2026. If the actual date or the projected date of such closing occurs later than December 31, 2026, twelve (12) months beyond the originally projected date of the first closing, purchaser will be offered the right to rescind this contract. On closing, purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan. Failure to sign this Power of Attorney at closing constitutes an event of default and may result in the loss of the Purchaser's contract deposit.

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

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

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

## **EFFECTIVE DATE**

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

The Plan will only be declared effective by a duly filed amendment, or by personal service of notice to all Purchasers. If declared effective by notice, an amendment to that effect, specifying the date on which the Plan was declared effective, shall be filed within five (5) days thereafter with the New York State Department of Law. No closing on any individual unit will be held prior to the acceptance for filing of such amendment by the New York State Department of Law.

The Plan may be declared effective upon the execution of Purchase Agreements for 15% (in number, not common interest) of the residential units in the building to bona fide purchasers, including investors. A minimum of two (2) residential units must be sold to declare the Plan effective. The count of Purchase Agreements towards the minimum number for effectiveness shall not include those: signed by Purchasers granted a right of rescission which has neither expired nor been waived; a Purchaser who has not had at least three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement or had less than seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the full deposit refunded immediately; with any Purchaser who is the Sponsor, the selling agent, or the managing agent, or is a principal for the Sponsor, the selling agent, or the managing agent, or is related to the Sponsor, the selling agent, or the managing agent, or to any principal of the Sponsor, or the selling agent, or the managing agent by blood, marriage, or adoption, or as a business associate, employee, shareholder, or a limited partner; except that such a Purchaser, other than the Sponsor or a principal of the Sponsor, may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide. Parking and storage units are deemed accessory and shall not count towards the minimum number of units required to declare the plan effective; however, residential units purchased by an investor or for the purpose of resale shall be counted.

Notwithstanding the fact that not all purchasers used for purposes of declaring the Plan effective may actually close, Sponsor must re-declare the Plan effective in order to consummate the Offering Plan in accordance with 13 N.Y.C.R.R. § 20.1(c)(6). If all purchase agreements are either rescinded or terminated prior to the date of first unit

closing, regardless of whether the condominium declaration has been recorded, then Sponsor must re-declare the Offering Plan effective.

The Plan must be declared effective upon the execution of Purchase Agreements for 80% (in number, not common interest) of the residential Units, which, in the case of this Plan means eight (8) residential Units. Prior to the sale of 80% of such Units, or prior to being declared effective, the Plan may be abandoned by the Sponsor at its option. The Sponsor cannot abandon the plan for any judgments or liens against the property resulting from acts of the Sponsor or any of its principals or which are known to the Sponsor on the date of the plan. If the Sponsor abandons the plan, the Sponsor will return all monies paid by Purchasers, including down payments and the cost of custom work, if any, together with interest earned, if any, within ten business days. The Sponsor will also file with the New York State Department of Law an amendment abandoning the Plan and form RS-3, detailing why the Plan was abandoned, and explaining all disbursements of funds. If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the Plan has been accepted for filing.

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

## TERMS OF SALE

Upon closing, Sponsor will deliver to Purchaser a Bargain and Sale Deed with Covenants Against Grantor's Acts in the proper form for recording, as set forth in Part II of this Offering Plan. Title, together with the appurtenant interest in the Common Elements, will be conveyed at closing free and clear of all liens, encumbrances, and title exceptions other than the easement set forth in the aforementioned Deed, the Condominium Declaration, the Permitted Exceptions below, and any state of facts an accurate survey may show, provided same does not render title unmarketable. Closings will take place only concurrently with the issuance of a temporary or permanent certificate of occupancy for either the entire project or for the Unit closed.

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

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

### Permitted Exceptions

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

1. Rights of tenants or persons in possession, if any;
2. Standard exceptions contained in the title report;
3. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth herein.
4. AS TO THE BUILDING: Any statement of facts which a subsequent survey of would disclose provided that such additional statement of facts do not render title unmarketable;

AS TO THE UNIT: With respect to Condominium Unit No. \_\_\_\_ the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

5. The following covenants, conditions, easements, leases, agreements of record, etc.:
  - a) Covenants and Restrictions in Liber 2166 Page 206 (an 1893 prohibition against the sale or manufacture of intoxicating spirits or liquors on the property before 1905, and a prohibition on constructing buildings within 10 feet of 84th Street)
  - b) INFORMATION ONLY: Zoning Lot Description (Exhibit III) in CRFN 2024000101812
  - c) INFORMATION ONLY: Owners Certification (Exhibit I) in CRFN 2024000101813
  - d) All easements contained within the recorded Declaration and By-Laws.

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

In general, sellers of real property are obligated to pay the New York State Transfer Tax (“NYSTT”), currently \$4.00 per \$1,000.00 of the Purchase Price of a Unit less existing and

continuing mortgage. However, the terms of this Offering Plan and the PURCHASE AGREEMENT included in Part II herein transfer the statutory obligation to pay the NYSTT to the Purchaser. The New York State Tax Law Section 1404(a) (the “Amended Tax Law”) has been amended as of July 1, 2021 to provide that in the case of a conveyance of residential real property as defined in subdivision (a) of section fourteen hundred two-a of this article, if the tax imposed by this article is paid by the grantee pursuant to a contract between the grantor and the grantee, the amount of such tax shall be excluded from the calculation of consideration subject to tax under this article. Pursuant to the Amended Tax Law, transfer taxes shall not be payable, directly or indirectly, by the Purchaser unless the same is explicitly provided for under the Purchase Agreement between Sponsor and Purchaser. The Purchase Agreement located in Part II of this Offering Plan explicitly provides that the Purchaser shall be responsible for paying the NYSTT. Therefore, the Purchase Agreement imposes this obligation upon the Purchaser.

## **CLOSING COSTS AND ADJUSTMENTS**

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

- (a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium thereof which will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are \$723.00 on a Purchase Price of \$200,001.00 and approximately \$2.60 for each additional thousand dollars or fraction thereof. Mortgage title insurance is currently \$137.00 on a mortgage of \$100,001.00 and \$0.77 for each additional thousand dollars or fraction thereof. Where mortgage and fee title are obtained simultaneously the charge for mortgage insurance is reduced to 30% of the usual applicable rate, up to the amount of the fee insurance; the amounts provided reflect this. A purchaser may use any title insurance company of his or her own choosing without incurring any Sponsor-imposed penalties.
- (b) Fees for recording the Deed and Power of Attorney are \$42.00 for the first two pages, plus \$5.00 per page for every page thereafter, and a \$50.00 service charge per instrument. Additionally, there is a \$25.00 charge for recording the Real Property Transfer Tax Return along with the deed.
- (c) If the purchaser obtains a mortgage loan, the purchaser will pay a mortgage tax of 2.05% of the principal amount of the mortgage if the mortgage is under \$500,000.00; under New York State Law the lending institution is required to pay 0.25% so that the effective rate of a residential mortgage under \$500,000.00 will be 1.8%. If the residential mortgage is \$500,000.00 or over the rate will be 2.175%, minus the 0.25% lending institution's contribution for a mortgage tax rate of 1.925%. If a mortgage tax credit is or becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed and will pay the balance of the mortgage recording tax as provided by law.
- (d) All legal costs, fees and expenses charged by the purchaser's attorney will be the sole responsibility of each purchaser.

(e) The New York City Real Property Transfer Tax ("NYCRPTT"), currently one (1%) percent of the Purchase Price of up to \$499,999, and 1.425% for those priced \$500,000 or above, will be the sole responsibility of the purchaser. The NYCRPTT is a statutory obligation of the seller. However, this obligation to pay the NYCRPTT is explicitly being transferred to the Purchaser under this Plan, and therefore such payment by the Purchaser is deemed an additional consideration to the Seller that is in and of itself taxable, which will result in a "tax on a tax" effect.

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

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

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

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

(j) An apartment with a purchase price of \$1,000,000.00 or higher will be required to pay the New York State Mansion Tax of 1% of the purchase price. To the extent that

the “grossed-up” consideration causes the consideration to exceed \$1,000,000.00, this New York State Mansion Tax will be due. Below is a table showing the break-down of the Mansion Tax charges for residential real property with considerations up to \$9,999,999.99:

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

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

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

(m) At closing, the parties shall apportion, as of the date of actual closing, the Common Charges, real estate taxes and other charges under the By-Laws, utility charges (if any) due to the Condominium and the use and occupancy charge, if any, to the Unit. Assessments will not be apportioned and will be payable by the party

who is the owner of the Unit when the same became due and payable. A letter from the Condominium or its Managing Agent as to status of Common Charges, utility or other charges shall be sufficient for purposes of determining the adjustments as herein described.

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

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

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

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

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

#### SAMPLE CLOSING COSTS

\$969,000.00 Purchase Price

\$775,200.00 Mortgage

|                                      |                    |
|--------------------------------------|--------------------|
| Mortgage and Fee Title Insurance     | \$ 2,021.00        |
| Deed and Power of Attorney Recording | \$ 250.00          |
| Mortgage Recording Tax               | \$ 14,923.00       |
| New York City Transfer Tax           | \$ 14,005.00       |
| New York State Documentary Stamp Tax | \$ 3,932.00        |
| Working Capital Fund Contribution    | \$ 613.00          |
| Reimbursement Fee                    | \$ 2,500.00        |
| <u>Document Preparation Fee</u>      | <u>\$ 2,500.00</u> |
| TOTAL:                               | \$ 40,744.00       |

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

## **RIGHTS AND OBLIGATIONS OF THE SPONSOR**

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

The Sponsor and its principal shall be required to obtain a Temporary or Final Certificate of Occupancy prior to the closing of the first unit. If Temporary, the Sponsor and its principals shall continue to renew the Temporary Certificate of Occupancy prior to each Temporary Certificate of Occupancy's expiration until it procures the Final Certificate of Occupancy. If the first unit closing takes place prior to issuance of the Final Certificate of Occupancy, the Sponsor and its principals are required to maintain all deposits and funds in the special escrow account required by GBL section 352-e(2-b) unless the Sponsor's engineer, architect, or other qualified expert certifies that a lesser amount will reasonably be necessary to complete the work needed to obtain a Final Certificate of Occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect, or other qualified expert may be released from the special escrow account. Alternatively, the 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.

While the Sponsor will endeavor in good faith to sell all units in a reasonably timely manner, the Sponsor is retaining the unconditional right to rent rather than sell units. Thus, Sponsor may never sell more than the 15% of units required to declare the plan effective. Therefore the Plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. The condominium Board does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a substantial percentage of owners who are non-residents. Owner-occupants and non-resident owners, including Sponsor or purchasers for investment, may have inherent conflict on how the condominium should be managed because of their different reasons for purchasing (i.e., purchase as home as opposed to purchase as investment). There are no obligations regarding marketing of units, and the Sponsor's Mortgage Lender has set no limits or requirements for Sponsor to rent rather than sell Units.

The Sponsor gives no warranty as to materials or workmanship that shall survive sale of a unit, except as required by the New York State Housing Merchant Implied Warranty Law, located in Part II of this Offering Plan at pages HM1-HM7. New York State General Business Law requires the builder of new dwelling consisting of five stories or less to provide a warranty to the Purchaser as follows:

- (a) For one year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for the items not covered by code, the construction must be in accordance with locally accepted building practices.
- (b) For two years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.
- (c) For six years, the home must be free from physical defects in the structural elements (foundations, floors, walls, roof framing) which make it unsafe or unlivable.

The Housing Merchant Implied Warranty is also applicable to the common elements. In addition to, and notwithstanding any limitations set forth in the Housing Merchant Implied Warranty Law, Sponsor remains under a duty to construct the premises in accordance with all applicable codes, filed plans, and specifications, and, for items not covered by local building codes, locally accepted building practices for such items. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises

in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. All representations under this Offering Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Offering Plan that are specifically to be performed subsequent to the closing date, shall survive delivery of the deed.

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

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

Sponsor will not be responsible for patent defects to a unit not reported prior to closing that a standard engineering inspection would have revealed. At least ten (10) days before the closing, the Selling Agent shall notify the Purchaser that the Unit is ready for a standard pre-closing walk-through inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit A to the Purchase Agreement located in Part II of this Offering Plan) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from fulfilling his obligation to close under the terms of the Purchase Agreement and shall constitute Purchaser's full acceptance of the Unit. With regard to damage to a unit which is reported prior to closing, Sponsor will, as set forth above, repair all such damage within fifteen (15) days after closing (or such longer time as is required to accommodate the delivery of materials which must be ordered to

complete any such repairs). In the event Sponsor fail to perform such obligation, Purchaser may enforce same in a court of competent jurisdiction.

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

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

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

Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance.

In the event of dissolution or liquidation of the Sponsor, or transfer of 10 or more units or 20% or more of the total number of units in the condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws, or regulations.

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

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

In the event the Sponsor finds it necessary to enter the property after closing of title to complete work, then such work will be performed between 8 A.M. and 6 P.M. on weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

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

New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy; the policy for this condominium is as follows: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"),

which is the current law governing smoking in class A multiple dwellings. This building prohibits smoking or using electronic cigarettes in common indoor areas of the building. Smoking and electronic cigarette usage is permitted in private apartments, outdoor common areas, and outdoor limited common elements.

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 TCOs. 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 an 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 an FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its Principals make no representations or guarantee that DOB will issue the FCO within such two-year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in 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 an FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its Principals are obligated to procure the FCO.

It is the obligation of the Sponsor and its principals to procure the TCO. As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining an FCO. Sponsor will also use best efforts to extend the

TCO; however, the TCO may lapse for reasons outside the Sponsor's control. Procuring an FCO is the obligation of the Sponsor and its principals. In the absence of a FCO or TCO it is unlawful to reside in or rent a unit and will be difficult for owners or purchasers to obtain financing and pass clear title. Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have an 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](http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf). Please see the ARCHITECT'S REPORT located in Part II of this Offering Plan.

## CONTROL BY THE SPONSOR

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

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

At the time of the first closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the Unit Owners at a meeting to be convened within 60 days after the first Unit closing. If the Sponsor still owns 50% or more of the Units in the building at this time, a majority of the new Board of Managers would be Sponsor-appointees.

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

- a) Sixty (60) days after the date by which 75% of the Units have been conveyed to unit purchasers; or
- b) Three (3) years after the first conveyance of a Unit to a Unit purchaser.

Within thirty (30) days after transfer of control, a meeting will be held to elect new Managers unrelated to the Sponsor. Notwithstanding the foregoing, even after control is surrendered to a Board elected by Unit Owners, the Sponsor may vote for the Unit Owner of its choice at an election of Managers. The Sponsor will not hold control of the condominium board after the Sponsor control period.

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

1. Shall not eliminate or reduce the number of employees, insurance coverages, or any service to a level less than that provided in Schedule B unless a majority of Board members elected by bona fide unit purchasers vote in favor thereof.
2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services, and installations) to be kept operational, clean, and in a good state of repair and condition;
3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law, or order of an insurance carrier.

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

Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or which are required to comply with applicable laws or regulations, remedy any notice of a violation, remedy any work order from an insurer, or over any matter affecting the health and safety of the occupants of the building. Additionally, so long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and rules and regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident owners, such as a sponsor, may have inherent conflicts on the management of the Condominium.

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

## **BOARD OF MANAGERS**

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

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall consist of three (3) members designated by the Sponsor. They will be Michael Calabrese, the sole principal of the Sponsor; Christopher Calabrese, the son of Michael Calabrese; and Sylvester Sichenze, Esq., attorney for the Sponsor. These members will resign in favor of Managers which will be elected by the Unit Owners at a meeting to be convened within sixty (60) days after the first closing; they may, however, be re-elected at such time. Transfer of control of the Condominium Board of Managers shall pass to Unit Owners other than the Sponsor at the earlier of the following:

- a) Sixty (60) days after the date by which 75% of the Units have been conveyed to Unit purchasers; or
- b) Three (3) years after the first conveyance of a Unit to a Unit purchaser.

Within thirty (30) days after transfer of control, a meeting will be held to elect new Managers unrelated to the Sponsor. The By-Laws do not include a provision that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals after the end of the initial Sponsor control period.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. At such time as the Unsold Units constitute less than twenty-five (25) percent of the Condominium, but in no event later than the third anniversary of the first closing date, not less than a majority of Managers shall be unit owners other than, and unrelated to, the Sponsor. Notwithstanding the foregoing, Sponsor may vote for Unit Owners from among the non-Sponsor related persons seeking election to the Board of Managers. Members of the Board of Managers shall serve without compensation, except for reimbursement for expenses actually incurred in the course of any furtherance of business for the Board of Managers.

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

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

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

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member or members of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or out of the aforesaid indemnity in favor of the members of the Board of Managers, shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements of all Unit Owners.

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

the vote of a majority of the Board of Managers, any officer may be removed with or without cause.

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

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

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

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

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

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

Each Unit Owner and each mortgagee of a Unit shall, upon prior request and with a valid business purpose, be permitted to examine the books of account of the Condominium

and other records of the Condominium during normal business hours on business days at the office of the Condominium.

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

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

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

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

Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-Sponsor members of the board, and there is a vote on whether to sue the Sponsor, the Sponsor's representatives cannot lawfully vote on that issue.

## **RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS**

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

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

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

### *2. No right of first refusal.*

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

### *3. Common charges and assessments.*

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

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

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

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

Owners, and in such event be exempt from all Common Charges and Expenses thereafter assessed.

#### *4. Repairs and Maintenance.*

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the stairwell doors which do not face into a Unit), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building) and the painting and decorating of the side of the stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit Owners who enjoy use of a limited common element are responsible for regular repair and maintenance of such limited common element such as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such limited common element (except where directly caused by act or omission of the unit owner, their agents, employees, or invitees) are the responsibility of the condominium through the Board of Managers.

#### *5. Additions, alterations, and improvements.*

No Unit Owner may make any structural addition, alteration or improvement in his Unit without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or improvement. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the days and hours during which any work may be done. No application shall be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit unless approved and executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Managers, or any of them, to a contractor, subcontractor, materialman,

architect, or engineer, by reason of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building or the value of other Units may be made without prior approval of the Board of Managers.

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

#### *6. Insurance.*

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

The proceeds of the hazard and fire insurance policy shall be payable to the condominium Board in the event of a loss amounting to \$100,000.00 or less and to the insurance trustee if the loss exceeds \$100,000.00. Such proceeds shall be applied to the repairing, restoring, or rebuilding of the subject premises unless otherwise determined by unit owners. In no event shall the proceeds of any insurance policy be paid to the holder of any mortgage on a unit unless there has been a determination by unit owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the City and State of New York.

*7. Restrictions on occupancy and use.*

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

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

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

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

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

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

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to, serve, and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

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

#### *8. Other material rights and obligations.*

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and to all appurtenant areas, if any, to the Managing Agent and/or any other person authorized by the Board of Managers or the Managing Agent for the purpose of

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

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

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

Power of Attorney at closing; failure to sign the Power of Attorney will be deemed a default and will result in cancellation of the transaction and possible loss of the deposit. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

#### *9. Smoking Policy.*

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

## REAL ESTATE TAXES

After the units are separately assessed, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other Unit. Units will not be separately assessed for the first year of condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2025/2026 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual condominium Unit is sold, the purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2025/2026 tax year. It is anticipated that Units will be separately assessed for the 2026/2027 tax year, and that individual Unit Owners (whether purchasers, holders of unsold units, or the Sponsor) will pay the taxes thereof as set forth in SCHEDULE A. The amount of the taxes deposited with the Board of the condominium will be disclosed in the post-closing amendments until the units are separately assessed.

Calculations of Real Estate Taxes are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. The taxing authority in the case of this offering is New York City Department of Finance ("DOF"). The first year of condominium operation is estimated to commence January 1, 2026. Although the Sponsor anticipates that construction of the subject premises will be completed by the first year of condominium operation, **THE SPONSOR DOES NOT ANTICIPATE THAT THE REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION WILL REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY. PURCHASERS ARE ADVISED THAT THEIR REAL ESTATE TAXES ARE LIKELY TO INCREASE IN THE SECOND YEAR OF CONDOMINIUM OPERATION TO REFLECT THE FULL POST-COMPLETION ASSESSED VALUE.**

As the first year of condominium operation is expected to commence on January 1, 2026 and the NYC property tax year commences on July 1<sup>st</sup> each year, the anticipated first year of condominium operation therefore encompasses a blended year consisting of two tax years (2025/2026 and 2026/2027) and does not reflect the full post-completion assessed value of the Property after completion of construction. On January 15, 2025, DOF issued a Notice of Property Value ("NOPV") for the entire Property with an estimated annual

property tax of \$17,961.63 for the 2025/2026 tax year commencing July 1, 2025. This estimated tax of \$17,961.63 is based upon a taxable assessed value of \$143,693 and a Tax Class 2A rate of 12.500%. Sponsor has received an estimate dated October 15, 2024 from MGNY Consulting Corp., 109 East 9<sup>th</sup> Street, Ground Fl., New York, NY 10003 ("MGNY"), of an estimated tax liability of the entire Property for the post-completion 2026/2027 tax year. MGNY projects a total tax liability for the residential Units for the 2026/2027 tax year to be \$84,204, which is based on a Tax Class 1A tax rate of 20.085% on the residential Units' projected 2026/2027 post-completion assessed value of \$419,240. In addition, MGNY projects a tax liability of the parking Units for the 2026/2027 tax year to be \$6,256, which is based on the parking Units' projected 2026/2027 post-completion assessed value of \$59,063. The projected post-completion assessed value for the entire Property for the 2026/2027 tax year is therefore anticipated to be \$90,460 (\$84,204 + \$6,256).

The commencement of the first year of condominium operation, January 1, 2026, coincides with the commencement of the latter half of the 2025/2026 tax year. The tax due for the first half of the first year of condominium operation is \$8,981, which is half of the projected annual tax liability on the Property for the 2025/2026 tax year. The remainder of the first year of condominium operation, July 1, 2026 through December 31, 2026, coincides with the first half of the 2026/2027 tax year, which is anticipated to reflect the post-completion assessed value for the Property. The tax due for the remainder of the first year of operation is estimated to be a total of \$45,230 based on one-half of the value of the estimated post-completion value of the taxes for the entire Property for the 2026/2027 tax year of \$90,460. Therefore, the tax burden for the entire Property for the first year of condominium operation is estimated to be \$54,211, which reflects the sum of the tax burden for the latter half of 2025/2026 tax year, plus the tax burden for the first half of 2026/2027 tax year. Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year. The status of the building on January 5th of each year is the basis of the assessment for the fiscal year beginning that July 1st.

There are no tax certiorari proceedings currently pending. Individual owners may challenge the assessment of their Unit by filing a tax protest in accord with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of unit owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all Unit Owners. The Building

benefits from the limitations imposed by Sections 581 (which prevents a building from being assessed at a higher level than similarly situated rental properties merely because of its status) and 1805 (which limits the annual increases due to changes in market value) of the Real Property Tax Law.

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

On January 1, 2018, the new federal Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changes the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Many of its provisions are set to expire in 2025. Each potential purchaser is strongly encouraged to consult with his or her own tax advisor concerning the deductibility of real estate taxes in his or her specific situation. Income tax deductions may vary in future years due to changes in the interest rate on the unit owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property.



8324 24TH AVE LLC  
2005 Route 206  
Bedminster, NJ 07921

**Tax Opinion Letter for Condominium Project**  
**8322 24<sup>th</sup> Avenue, Brooklyn, NY 11214**  
**Block: 6853 Lot: 44**

THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY FOR OUR OPINIONS PRESENTED HEREIN.

The following estimates are provided in response to your request for an opinion and projection of the real estate assessments and taxes.

This opinion is based solely on the representations made to us by you and your architect.

## **I. Project Details**

You have informed us that you intend to create a condominium on the above tax lot ("property"), and that this building will be constructed pursuant to Department of Buildings job number **B01008532** for job type "**NB – New Building**".

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, which corresponds to the tax year **2025/2026**. In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. You have informed us that the date of commencement of construction was **July 9, 2024**; and that the anticipated completion date is **November 15, 2025**. You have advised us of your acquisition costs and the anticipated construction costs.

You have also supplied us with architectural drawings of the proposed building prepared by Design Studio Associates. The data contained in the subject building will have 3 (three) main levels plus cellar level.



You have informed us that there will be **9** (nine) residential units located on the 1 (first) floor through 3 (third) floor; **6** (six) open parking spaces.

## II. Estimated Assessed Value

We have considered the following factors in formulating our opinion: (a) the recent tax assessment history on the property; (b) comparable new construction properties in Brooklyn (specifically, in Gravesend, Bensonhurst, and Bath Beach neighborhoods); (c) market conditions in the general area; and (d) estimate of the cost of construction.

Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year. The status of the building on January 5th of each year is the basis of the assessment for the fiscal year beginning that July 1st.

Real Property Tax Law Section 1805 provides for limitation on increases of assessment of certain properties. We believe that the subject property will be classified as Tax Class 1 upon completion of construction. Once the apportionment of value between condo units occurs, the individual units will be classified as **Tax Class 1A**. The current 2023/24 class 1 tax rate is **20.085%** of assessed valuation.

Under the current law, the Department of Finance may not increase the assessment of tax class 1 properties by more than six percent from year to year, and may not increase such assessment by more than twenty percent in any five-year period. However, this limitation **does not apply to new construction or other increases due to physical improvements to the property**. Increases due to such physical improvements or new construction are added in full to the next year's assessment.

### 2026/27 Assessed Value and Tax Liability

**Projected Assessed Value of Residential Units: \$419,240**

**Projected Tax Liability: \$84,204**

**Projected Assessed Value of Parking Units: \$59,063**

**Projected Tax Liability: \$6,256**



In determining the assessed values for the individual units, the Department of Finance may use the common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined.

**NO WARRANTY IS OR CAN BE MADE BY THIS FIRM THAT THE ASSESSED VALUATION WILL BE AS ESTIMATED HEREIN, AND THE WRITER OF THIS LETTER SHALL NOT BE LIABLE, IF BECAUSE OF CHANGES IN LAWS AND/OR REGULATIONS, OR THE INTERPRETATIONS OF LAWS AND/OR REGULATIONS, OR IF THE FACTS REPRESENTED BY SPONSOR, ARCHITECT OR APPRAISER PROVE INCORRECT, THE PROPERTY'S TAX LIABILITY TURNS OUT TO BE DIFFERENT. WE MAKE NO REPRESENTATIONS OR GUARANTEES THAT THE ASSESSED VALUES WILL BE FIXED AT ANY AMOUNT. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE.**

We consent to the inclusion of this letter in the Offering Plan.

Sincerely,  
Yuri Geylik, CEO

## **DEDUCTIONS TO UNIT OWNERS, AND TAX STATUS OF CONDOMINIUM**

Subject to tax laws in existence at the time of deduction, Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, pursuant Sections 163 and 164 of the IRS Code subject to the limitations imposed by the Tax Cuts and Jobs Act of 2017. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER. The Federal Tax Cuts and Jobs Act of 2017 allows an itemized deduction of up to \$10,000.00 for the total of state and local property taxes and income or sales taxes and limits deductible mortgage debt to \$750,000.00 for new loans taken out after 12/14/17. Interest paid on home equity debt is no longer deductible through 12/31/25. New York State and New York City income tax laws generally follow the provisions of the Federal system and therefore each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for their state and local taxes as for their Federal income taxes. Given that many individual provisions of the Tax Cuts And Jobs Act of 2017 are set to expire in 2025, Purchasers are advised to consult with their tax advisors regarding tax laws in existence at the time of purchase.

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

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, judicial decisions, and the Tax Cuts and Jobs Act of 2017. It is emphasized, however, that legislative, judicial, or administrative changes may be made which would require modification of such statements, or that the IRS or other applicable administrative agency may disagree with

Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.



**THE LAW OFFICE OF CLAUDIA V. MURDOCH P.C.**

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**PHONE: (718) 569-0045**  
**FAX: (718) 763-1095**

**OPINION OF COUNSEL REGARDING TAX STATUS OF  
THE PANDA CONDOMINIUM  
PURSUANT TO TITLE 13 NYCRR § 20.3(y)**

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

This discussion assumes that the condominium in question, the Panda Condominium, located at 8322 24<sup>th</sup> Avenue (a/k/a 2379 84<sup>th</sup> Street), Brooklyn, New York, is a validly-formed condominium under New York's Condominium Act (Article 9B of the New York State Real Property Law) consisting of nine (9) residential units and six (6) parking units.

**1. Availability of Tax Deductions**

*A. Tax Deductions for Real Estate Taxes*

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

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

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

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

The federal Tax Cuts and Jobs Act of 2017 went into effect on January 1, 2018. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. The Federal Tax Cuts and Jobs Act of 2017 allows an itemized deduction of up to \$10,000.00 for the total of state and local property taxes and income or sales taxes. This maximum applies to both single and married filers. However, this provision is set to expire in 2025, and may or may not be replaced by a similar or different provision. It is therefore my opinion, given the state of law as of this writing in December of 2024, that owners of residential units in this condominium who itemize their deductions may be eligible to deduct real estate taxes paid on said units for federal income tax purposes as well as New York state and city income tax purposes, subject to the limits imposed by the Internal Revenue Code, the Federal Tax Cuts and Jobs Act of 2017, any new legislation, New York tax law, and the specific taxpayer’s personal situation. Each potential purchaser is strongly encouraged to consult with his or her own tax advisor concerning the deductibility of real estate taxes in their specific situation.

## *B. Tax Deductions for Mortgage Interest*

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

Pursuant to the Tax Cuts and Jobs Act of 2017, interest is deductible on mortgage debt not exceeding \$750,000 for new loans taken out after 12/14/17, and interest paid on home equity debt is no longer deductible through 12/31/25. However, these provisions are set to expire in 2025, and may or may not be replaced by similar or different provisions.

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

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

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

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

## 2. Income Tax Status of the Condominium

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

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

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

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

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

### Conclusion

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

in the applicable statutes, regulations, decisional law, or Internal Revenue Service rulings, or the New York State tax law, as amended, and cause the unit owners not to be entitled to income tax deductions or the benefits described above.

Sincerely,

*Claudia V. Murdoch*

Claudia V. Murdoch

January 15, 2025

## **RESERVE FUND**

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

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

### **WORKING CAPITAL FUND**

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

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

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

## **IDENTITY OF PARTIES**

**SPONSOR:** The Sponsor of this project is 8324 24th Ave LLC, a New York limited liability company formed on December 20, 2023, with an address at 9732 3rd Avenue, Brooklyn, NY 11209. The sole principal of the Sponsor is Michael Calabrese. Mr. Calabrese is a real estate developer and broker. He has previous experience developing and managing properties in Brooklyn. Neither the Sponsor nor the principals of the Sponsor have been the Sponsor or principals of the Sponsor of an Offering Plan in the State of New York during the preceding five years.

There are no convictions, bankruptcies, judgments, or injunctions against the Sponsor, principal of the Sponsor, or entities in which the principal of the Sponsor was a principal, that may be material to the Offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Offering Plan.

**COUNSEL:** Sponsor has engaged Claudia V. Murdoch, Esq. of The Law Office of Claudia V. Murdoch, P.C., 117 Seventh Avenue, Brooklyn, New York 11215 to prepare and file this Offering Plan. Sylvester J. Sichenze, Esq., 7703 5<sup>th</sup> Avenue, Brooklyn, New York 11209, will act as the Sponsor's closing attorney and will be the escrow agent for purchasers' down payments. Ms. Murdoch and Mr. Sichenze represent the Sponsor, not the Condominium, which is not represented by counsel.

**ARCHITECT:** The architect, Paul Lombardi, R.A., of Design Studio Associates, 527 Court Street, Suite C3, Brooklyn, New York 11231, has examined the physical condition of the property and has rendered his report thereof as set forth in Part II starting at Page AR1. Mr. Lombardi has been an architect for over 25 years and has extensive experience in preparing reports for condominium offering plans. The architect has no financial interest in the property, Sponsor, condominium, selling agent, or any other party interested in this transaction, except for his fee for services rendered in connection with his report.

**SELLING AGENT:** The Sponsor is currently the selling agent ("Selling Agent") for the Plan. The Sponsor has not previously been the Selling Agent for any offering of condominium or cooperative interests in real property in or from the State of New York.

## GENERAL

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

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons that might become a lien against the Property or that may materially affect this offering, the Property, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium. The subject premises are not landmarked. Sponsor is not aware of any unusual circumstances that may affect the use or enjoyment of the property and appurtenances unless disclosed elsewhere in the Plan.

No units in this building are occupied by residential or commercial tenants as of the date of submission of the Plan to the Department of Law. The Sponsor agrees to keep the units in the building vacant until consummation of the offering plan, unless a unit is occupied by a purchaser under contract subject to an interim lease agreement.

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

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

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

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

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

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

### **DOCUMENTS ON FILE**

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

### **REPORT TO UNIT OWNERS**

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

- 1) On or before March 1st of each year a financial statement. During the period the Sponsors are in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant or public accountant.
- 2) Prior notice of the annual Unit Owners meeting, which shall occur in March, and which notice shall be no less than thirty (30) days prior to the scheduled meeting.
- 3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsors, this budget shall be certified by a qualified budget expert.

### **SPONSOR'S STATEMENT OF BUILDING CONDITION**

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

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

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

# PART II

**PURCHASE AGREEMENT**

**8322 24th Avenue (a/k/a 2379 84th Street), Unit \_\_\_\_, Brooklyn, New York**

Purchaser(s) \_\_\_\_\_

Address \_\_\_\_\_

Home Telephone \_\_\_\_\_ Business Telephone \_\_\_\_\_

Purchaser's S.S.No \_\_\_\_\_

Purchaser's Attorney \_\_\_\_\_

Attorney's Address \_\_\_\_\_

Attorney's Telephone No \_\_\_\_\_

Broker \_\_\_\_\_ Telephone No \_\_\_\_\_

Unit \_\_\_\_\_ Common Interest \_\_\_\_\_ % Common Charges \$ \_\_\_\_\_

Cash Purchase Price \$ \_\_\_\_\_

Down Payment (herewith) \$ \_\_\_\_\_

Balance Due on Closing \$ \_\_\_\_\_

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

1. OFFERING PLAN READ. As Purchaser, I have received and read the Offering Plan of Condominium Organization (the "Offering Plan" or "Plan") with respect to premises located at 8322 24th Avenue, Brooklyn, New York.

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

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

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

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

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

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

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

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

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

The Escrow Agreement is attached hereto as Exhibit B.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

discriminatory inducement.

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

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

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

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

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

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

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

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

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

but not limited to the "RPT" form.

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

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

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

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

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

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

32. CONSTRUCTION

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

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

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

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

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

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

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

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

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

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

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

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

41. SMOKING POLICY. Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This is a completely smoke-free building. Smoking and/or using electronic cigarettes is prohibited throughout the building, including indoor and outdoor common elements, limited common elements, and private apartments. Purchaser understands and agrees to abide by this policy.

DATE: \_\_\_\_\_, 20\_\_.

-----  
Purchaser

-----  
Purchaser

APPROVED AND ACCEPTED  
8324 24TH AVE LLC  
by:

\_\_\_\_\_

\_\_\_\_\_  
ESCROW AGENT

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

We/I, the named purchaser/s in a contract for Unit \_\_\_\_\_ at 8322 24th Avenue,  
Brooklyn, New York, certify that we/I have this day inspected said unit, and agree to  
accept same in its present condition, subject to completion or repair of the items set  
forth on the list attached hereto.

\_\_\_\_\_

\_\_\_\_\_

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

APPROVED AND ACCEPTED  
8324 24TH AVE LLC

By:

\_\_\_\_\_

**EXHIBIT B**  
**ESCROW AGREEMENT FOR CONTRACT DEPOSIT**

## **ESCROW AGREEMENT FOR CONTRACT DEPOSIT**

**AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and among \_\_\_\_\_ ("PURCHASER"), 8324 24TH AVE LLC ("SPONSOR") as Sponsor of the Offering Plan, and SYLVESTER J. SICHENZE ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONDeSOR has filed the Offering Plan with the Attorney General to offer for sale condominium units at the premises located at 8322 24th Avenue, Brooklyn, New York, subject to the terms and conditions set forth in the Plan; and

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

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

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

### **1. ESTABLISHMENT OF THE ESCROW ACCOUNT.**

1.1 ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of Unit(s) \_\_\_\_\_ at premises 8322 24th Avenue, Brooklyn, New York at TD Bank, a bank authorized to do business in the State of New York, at its branch located at 8201 15th Avenue, Brooklyn, New York 11209. The name of the account is SYLVESTER SICHENZE CLIENT FUNDS ACCOUNT.

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

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

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

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

## 2. DEPOSITS INTO THE ESCROW ACCOUNT.

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

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

## 3. RELEASE OF FUNDS.

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

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

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

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

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

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

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

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

#### 4. RECORDKEEPING.

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

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

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

#### 5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

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

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

#### 6. RESPONSIBILITIES OF SPONSOR.

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

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

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

## 7. TERMINATION OF AGREEMENT.

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

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

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

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

## 8. SUCCESSORS AND ASSIGNS.

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

## 9. GOVERNING LAW.

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

## 10. ESCROW AGENT'S COMPENSATION.

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

## 11. SEVERABILITY.

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

## 12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

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

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

ESCROW AGENT:  
Sylvester J. Sichenze, Esq.

By: \_\_\_\_\_  
Name: Sylvester J. Sichenze, Esq.

SPONSOR:  
8324 24TH AVE LLC

By: \_\_\_\_\_  
Name:

PURCHASER:  
[INSERT NAME]

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**UNIT DEED**  
**Bargain and Sale Deed with Covenants Against Grantor's Acts**

THIS INDENTURE made the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between 8324 24TH AVE LLC, 9732 3rd Avenue, Brooklyn, NY 11209 (hereinafter "Grantor"), and \_\_\_\_\_, (hereinafter "Grantee");

W I T N E S S E T H:

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

The Unit described in the attached Schedule A.

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

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

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

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

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

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

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

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE PANDA CONDOMINIUM recorded in the Office of the City Register of the City of New York on the       day of       , 20   , at CRFN       .

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

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

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

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

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

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

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

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

8324 24TH AVE LLC

By:

Name:

Title: Authorized Signatory

STATE OF NEW YORK     )  
COUNTY OF               )     SS.:

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

NOTARY PUBLIC

## POWER OF ATTORNEY

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

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

The Power of Attorney shall be irrevocable.

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

\_\_\_\_\_  
STATE OF NEW YORK )  
COUNTY OF \_\_\_\_\_ ) SS.:

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

\_\_\_\_\_  
NOTARY PUBLIC

## SAMPLE INTERIM LEASE

**AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between 8324 24TH AVE LLC, (hereafter SPONSOR) and \_\_\_\_\_, (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at 8322 24th Avenue, Brooklyn, New York; and,

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

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

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

- 1) Commencing on \_\_\_\_\_, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned apartment.
- 2) PURCHASER shall pay a fee for use and occupancy of the apartment of \$\_\_\_\_\_ per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws.
- 3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment.
- 4) The terms of the Offering Plan, and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.
- 5) As of the date of this Agreement, risk of loss to the apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Offering Plan.

- 6) PURCHASER shall pay all utility costs and make any repairs to the apartment for which he would be obligated as owner. SPONSOR will not be responsible for ordinary wear and tear to the apartment during the PURCHASER'S occupancy.
- 7) PURCHASER may not make any alterations to the apartment without SPONSOR'S written consent.
- 8) This lease will terminate on the happening of the earliest of the following:
- a- Closing;
  - b- Rescission of the Purchase (Agreement by PURCHASER);
  - c- Default by PURCHASER.
- 9) Upon a default by PURCHASER or Rescission of the subscription agreement by PURCHASER, which is not cured within 15 days after notice thereof, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the apartment within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the apartment. PURCHASER agrees to pay SPONSOR \$1,000 per day for each day he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.
- 10) Any default under this agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the apartment, and may result in loss of the down payment. Before the Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the unit.

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

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

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

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

**SPONSOR**

8324 24TH AVE LLC

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**PURCHASER**

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## TAX ESCROW AGREEMENT

AGREEMENT made this 17<sup>th</sup> day of FEBRUARY, 2025, by and between 8324 24TH AVE LLC (hereinafter "Sponsor"), and THE BOARD OF MANAGERS OF THE PANDA CONDOMINIUM (hereinafter "The Board");

### WITNESSETH:

WHEREAS, the Sponsor is the Sponsor of the Offering Plan for the conversion to condominium ownership of the land and building located at 8322 24th Avenue, Brooklyn, New York; and,

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

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

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

NOW, THEREFORE, the parties agree as follows:

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

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

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

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

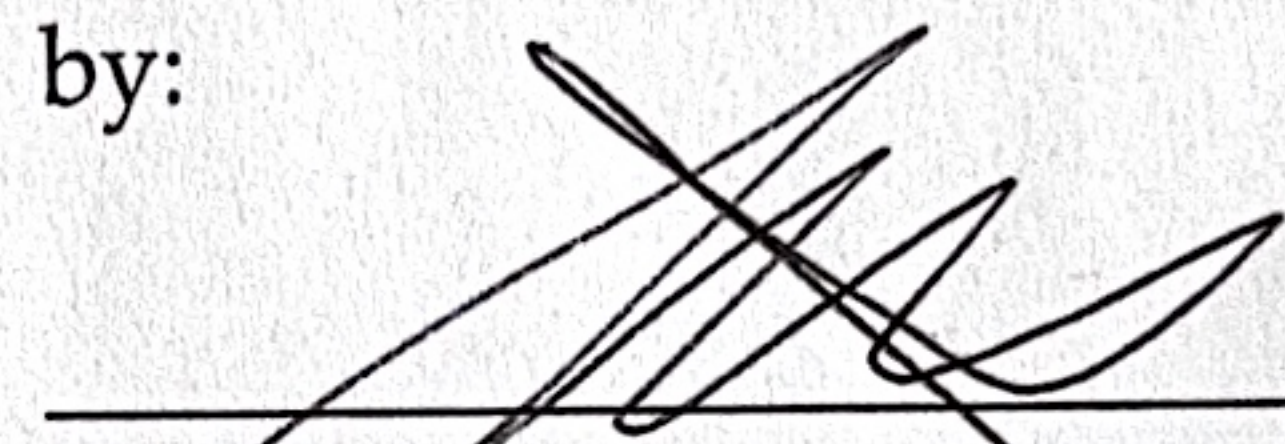
5. If the escrow was kept in an interest-bearing account, the interest earned thereon belongs to the Sponsors.

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

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

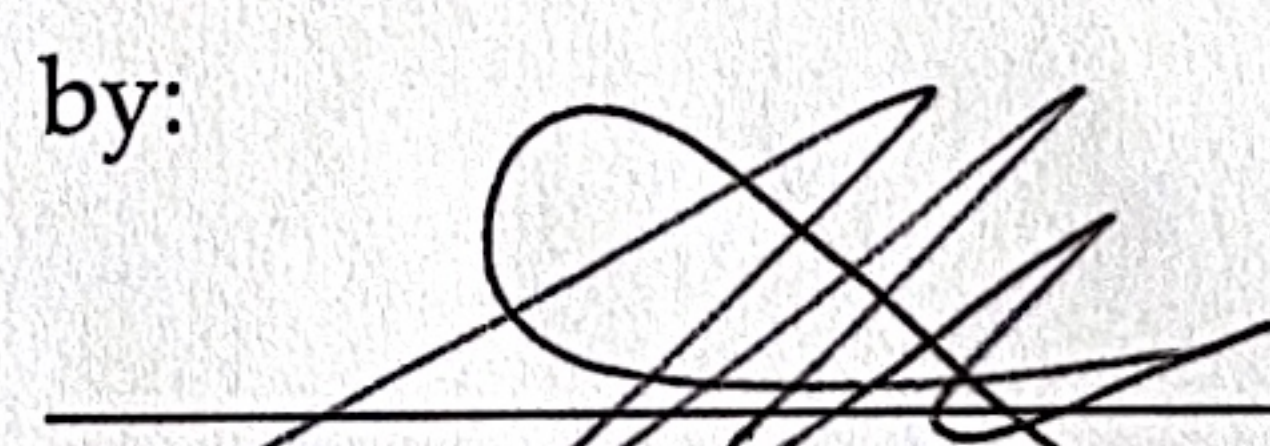
8324 24TH AVE LLC

by:

  
MICHAEL CALABRESE, Principal

THE BOARD OF MANAGERS OF THE  
PANDA CONDOMINIUM

by:

  
MICHAEL CALABRESE

**ARCHITECT'S REPORT**  
**THE 8322 24<sup>TH</sup> AVENUE CONDOMINIUM**

**Prepared By:**

DESIGN STUDIO ASSOCIATES  
Paul Lombardi, R.A.  
527 Court Street Suites C3  
Brooklyn, N.Y. 11231  
Phone No: 718-569-2112



July 10, 2025

**SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS**

**(a) LOCATION AND USE OF PROPERTY**

**(1) Address:**

The building will be located at 8322 24<sup>th</sup> Avenue in the Gravesend Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11214.

**(2) Block and lot number:**

The site will be located on Tax Lot number 44 in Tax Block number 6853.

**(3) Zoning:**

The site is located in an R5 Zone as designated on Map number 28c of the 1961 Zoning Resolution. This is not a Quality Housing project. This property and proposed use will comply with all zoning and use requirements at closing.

(4) Permissible Use:

The Zone permits Residential use as of right. There are no Restrictive Declarations / Easements. This is not a Quality Housing project. This property and proposed use will comply with all zoning and use requirements at closing. The building and units are designed within the requirements of all applicable federal, state and local code and regulation governing accessibility to the disabled including the ADAAG standard and local law 58/87.

Units 1A, 1B and 1C located at the first floor level of the building shall be ADA compliant. The accessory cellar spaces of Units 1A, 1B and 1C are not ADA accessible, as there is no accessible route to the cellar level.

(b) **STATUS OF CONSTRUCTION**

(1) Year built:

The building is a proposed new building and is currently under construction. There are no existing building elements that remain, the building is a proposed new building.

The estimated date of completion is September 2025.

(2) Class of construction:

The Class of Construction will be IB as described by Table 601 of the 2022 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of two hours.

Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of two hour. Exterior wall and unit separation assemblies shall have a minimum fire protection rating of two hours.

(3) Certificate of Occupancy, type and number:

The building is currently under construction and a permanent Final Certificate of Occupancy for the new building will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings.

The Sponsor shall obtain a permanent Final Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan.

The closing of individual Units may occur prior to the Sponsor obtaining a permanent Certificate of Occupancy for the Building.

If only a Temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy. It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a Temporary Certificate of Occupancy ("TCO") covering such units has been issued. Sponsor will send closing notices for units covered by TCO's and purchasers will be required to close with a TCO rather than with a permanent Certificate of Occupancy in place. TCO's are issued for three (3) months at a time. The NYC Department of Buildings advises purchasers to houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent or permanent certificate of Occupancy. It is strongly recommended that buyers consult the "DOB Website / Consumer Tips" for its recommendation when buying units in a building that does not have a Permanent certificate of Occupancy.

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number B01008532.

A permit number B01008532-I1-GC has been issued by the N.Y. City Department of Buildings for the construction of the new building on 8/23/2024 and on 05/07/25.

Job filings that have been filed under separate applications as Standard Plan Examination or Review are as follows:

| Work Permit Number                  | File Date  | Description                                                       | Status & Date              |
|-------------------------------------|------------|-------------------------------------------------------------------|----------------------------|
| B01008532-S1-PL<br>Plumbing – PL    | 06/18/2024 | Installation of Residential Plumbing Fixtures and Related Piping. | Permit Entire – 11/20/2024 |
| B01008532-S2-EW-SP<br>Sprinkler -SP | 06/18/2024 | Installation of Residential Sprinkler System                      | Permit Entire – 05/05/25   |
| B01090383-I1-EL<br>Electrical – EL  | 08/02/2024 | Service Work / Notify Utility General Wiring                      | Permit Entire – 08/18/2024 |
| B01008532-S3-SE<br>SOE – SE         | 08/08/2024 | SOE APPLICATION                                                   | Permit Entire – 10/08/2024 |

(c) **SITE**

(1) Size:

The site is located at the corner formed by the Northeasterly side of 84<sup>th</sup> Street and the Northwesterly side of 24<sup>th</sup> Avenue. The site has a frontage of 60'-0" along 84<sup>th</sup> Street and a frontage of 100'-0" along 24<sup>th</sup> Avenue. The site has an area of approximately 6,000 square feet.

(2) Number of buildings and use:

There will be one building constructed with nine (9) residential units, parking and accessory uses.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. 24<sup>th</sup> Avenue is an existing eighty foot (80'-0") wide two-way street and 84<sup>th</sup> Street is an existing sixty foot (60'-0") wide one-way street.

There are existing concrete sidewalks fronting the property. The existing concrete sidewalks will be replaced with new concrete sidewalks and curbs, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. The sidewalks providing access to the building(s) shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant. The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ).

(ii) Curbing (material and condition);

There are existing concrete curbs fronting the property. The existing concrete curbs fronting the property will be replaced with new concrete curbs, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. There is one (1) existing curb cut at the 24<sup>th</sup> Avenue side measuring 10'-0" in length including splays and one (1) new curb cut at the 84<sup>th</sup> Street side, providing access to the driveway serving passenger vehicles in the front and side yard areas of the property. The new curb cut measures 12'-0" in length including splays. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant.

(iii) Catch Basins (location and condition);

The roadway is asphalt paved. The roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System.

The existing catch basins are in good condition and are constructed of concrete with steel grating covers and are located along both 24<sup>th</sup> Avenue and 84<sup>th</sup> Street. The existing catch basins have been installed by the N.Y. City Department of Transportation.

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

The existing street lighting is provided by the City of New York, and consists of vertical steel, stanchions surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along both 24<sup>th</sup> Avenue and 84<sup>th</sup> Street. The existing street lighting is in good condition.

(v) Conformity with municipal codes;

The sidewalk paving, curb, catch basins and street lighting will be designed to conform to the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and the N.Y. City Building Code and will be subject to approval and inspection by these agencies. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant. The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ).

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be new poured, reinforced, concrete driveways at both the northwesterly most side of the property accessible from 84<sup>th</sup> Street at grade level and at the northerly most side of the property accessible from 24<sup>th</sup> Avenue which will provide access to the parking areas located in the front yard area along 84<sup>th</sup> Street and the side yard area of the building. The sidewalks providing access to the building(s) shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant

(ii) Curbing (material and condition);

There will be no curbs on the property.

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

There will be no catch basins on the property. There will be PVC area drains at the cellar and first floor levels which will be connected to the building's storm drainage system.

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

There will be no street lighting on the property.

(v) Conformity with municipal codes;

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

(d) **UTILITIES**

**Water**, will be provided by the City of New York, and water consumption will be a common charge. Water and sewer shall be metered collectively.

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System, which consists of an existing 8" water main located in the roadway beneath 24th Avenue. There will be a 2" ductile copper type "k" pipe conveying the combined water service into the building as per DEP standards. Water meter shall be located in the sprinkler / mechanical room located at the cellar floor level towards the front of the building.

Natural **Gas**, will not be provided. There is no gas service provided. The building will use electricity for domestic cooking, heating, and hot water heating.

**Electricity**, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

The electrical service to the building will be brought in from the terminal point of the Con Edison Company. The service supplied to the building, shall be an 400 Amp, 110 / 220 Volt, triple phase, #500 MCM copper wire or #600 MCM aluminum wire, service. Electric meters shall be located in the electric meter room located at the cellar floor level towards the front of the building.

**Telephone** service, will be provided by the Verizon company or Spectrum/Charter, and each unit will be billed directly.

**Sanitary** waste will be carried from the building into the existing New York City Sewer System.

**Storm** water run-off will be dissipated by means of drywells.

The cost of services of the common areas will be the responsibility of the Condominium.

(e) **SUB-SOIL CONDITIONS**

The soil at the bottom of the footings is Class 3b soil, as per a subsurface Test Boring which was performed by Brian E. Flynn. PE, PC., 78-66 79<sup>th</sup> Place, Queens, N.Y. 11385. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code. There was no ground water encountered up to ten feet below the normal grade level of the site. There is no land subsidence, expansive soils, hazardous materials, and or Environmental Restriction designations present on the property.

The site is in FEMA Flood Zone X (no screen) which indicates the site is in an "Area of Minimal Flood Hazard" as per FIRM panel # 3604970351F. There is no apparent evidence of the site having flooded in the past 10 years. If so, it shall be noted as a Special Risk to disclose this.

Foundation system has been accurately sized to support the calculated load while under construction.

- (1) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.
- (2) There is no apparent evidence of moisture, seepage or ground water infiltration.
- (3) There is no apparent danger from flooding due to a water table overflow from other bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties. The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will also be a 2" x 2'-0" continuous perimeter insulation. There will be gravel and compacted earth fill adjacent to the foundation walls.

(f) **LANDSCAPING AND ENCLOSURES**

- (1) There will be grass cover in the front yard areas of the building. The side yard areas shall be a concrete slab on grade finish. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance.
- (2) There will be planting areas at the front yard of the building along both 84<sup>th</sup> Street and 24<sup>th</sup> Avenue. Required street trees shall be planted within the planting areas. In addition to such street trees, the planting areas shall be fully planted with grass. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance.
- (3) There are a total of three (3) existing "Amelanchier canadensis" trees with an approximate 5" diameter along the front of the building. Two (2) existing trees are located at the 24<sup>th</sup> Avenue sidewalk area and one (1) is located at the 84<sup>th</sup> Street sidewalk area. The existing trees are in good condition. There will be one (1) new tree with a minimum caliper of three inches planted at the sidewalk area fronting the property at 24<sup>th</sup> Avenue as required by the N.Y City Zoning Resolution. There will also be three (3) trees planted off site, with the exact locations to be determined by the NYC Parks Department. The trees shall be of a species to be determined by the N.Y. City Department of Parks. In the event the procurement of the final permanent Certificate of Occupancy falls outside of NYC Parks Department's two approved planting seasons, the Sponsor reserves the right to pay the NYC Parks Department Tree Fund in lieu of each new tree required.
- (4) There will be a new 6'-0" high composite fence made from a blend of recycled plastics and wood pulp with a faux wood grain finish in dark grey at the perimeter of the property lines at the side yard areas of the site.
- (5) There will be no gates at the exterior of the property.
- (6) There will be no garden walls at open yard areas.

- (7) There will be new poured in place concrete retaining walls enclosing the areaways located within each side yard area of the building. Retaining walls shall measure approximately 4'-10" wide x 1'-6" long x 1'-2" thick x 6'-10" tall.

Retaining walls shall be new and are board formed with a hard stucco coating finished.

The areaways shall be protected by flush mounted metal grating tops with a support of a minimum 160 pounds per square foot. Metal grate covers shall be located in the westerly side yard and the rear yard of the building. Each areaway shall have a grate cover for a total of six (6) areaways and six (6) metal grate covers. The metal grating will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. All exterior metals, including fasteners, shall be corrosion resistant.

- (8) There will be no display pools or fountains at open yard areas.

(g) **BUILDING SIZE**

- (1) The building will be a total height of approximately 30'-0", measured from the adjacent grade to the finished roof above the third floor level.
- (2) There will be no crawl spaces within the building.
- (3) There will be one cellar level below the first floor level of the building with a floor to ceiling height of approximately 8'-0".
- (4) In addition to a cellar, there will be three (3) stories with a floor to ceiling height of approximately 8'-8" for the first, second and third floors. The approximate gross square footages of each floor are as follows:

|              |               |                    |
|--------------|---------------|--------------------|
| Cellar Floor | approximately | = 3,116.00 sq. ft. |
| First Floor  | approximately | = 2,993.00 sq. ft. |
| Second Floor | approximately | = 3,116.00 sq. ft. |
| Third Floor  | approximately | = 3,116.00 sq. ft. |

- (5) There will be a meter room, storage rooms, sprinkler room and mechanical / storage rooms located in the cellar floor level towards the front of the building. There will be three (3) storage rooms located at the cellar floor level towards the front of the building. Two (2) storage rooms shall be allocated as limited common elements for Unit 2B and the other storage room shall be allocated as limited common elements for Unit 2C.  
There will be a total of six (6) storage/mechanical closets located in the cellar floor level towards the front of the building. Units 2A, 2B, 2C, 3A, 3B and 3C will each have a storage/mechanical closet allocated as a limited common element. The hot water heaters for Units 2A, 2B, 2C, 3A, 3B and 3C will be located within the storage/mechanical closets. The hot water heaters for Units 1A, 1B and 1C shall be located within the mechanical/laundry closets located in the accessory space at the cellar floor level. HVAC equipment shall be mounted on the exterior walls at each side yard as well as on the rear façade of the building and at the roof above the third floor and at the stair bulkhead above the third floor level of the building.
- (6) There will be a masonry parapet, with a minimum height of three feet and six inches above the finished roof level above the third floor level of the building.

(h) **STRUCTURAL SYSTEM**

The structural system for the building will be a bearing wall type system and will consist of perimeter, load bearing masonry walls and also intermediate masonry load bearing walls which will support steel joists.

The foundations will consist of poured, reinforced concrete footings for support of the foundation walls at the cellar floor level. The foundation walls shall also be of poured, reinforced concrete.

The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls. There will be a 4" perforated drainage pipe at the footings.

A subsequent SOE application has been filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed Professional Engineer. The SOE drawings have been assigned Department of Buildings application number B01008532. Permit numbers B01008532-S3-SE has been issued by the N.Y. City Department of Buildings. The SOE for this project is comprised of a combination of cantilevered soldier pile, timber lagging wall and open cut sloped excavation, the soldier piles shall be comprised of W8x35 (grade 50 KSI) Steel with a minimum embedment of 12' below the bottom of the excavation and spaced at 10' on center. The timber lagging is comprised of 3x12 wood, with a minimum bending strength of 1,200 PSI.

The interior floor at the cellar floor level shall be a poured, reinforced concrete slab on grade. The cellar floor slab consists of a 4" thick continuous poured concrete slab with 6"x6" 10.10 gauge welded wire mesh over a 6 millimeter vapor barrier and 3" compacted crushed stone fill.

The interior floor assembly at the first floor shall be luxury vinyl plank (LVP) finished flooring on a plywood subfloor and a poured concrete slab on corrugated metal decking on the second and third floors, supported by steel joists which will be supported by the masonry bearing walls and beams. The sound insulation between the floors shall be of resilient furring channels, running perpendicular to the floor joists, with a layer of gypsum wall board over.

All construction shall comply with reference standard RS 10 of the N.Y. City Building Code. Floor/ceiling assemblies between dwelling units or between a dwelling unit and a public or service area stair, exterior mechanical equipment, or other mechanical equipment space, including mechanical rooms, shall be constructed of assemblies having an impact insulation class (IIC) rating of not less than 50 based upon laboratory measurements made in accordance with ASTM E 492.

Floor impact noise is in compliance with BC 1207.3 Structure-Borne Sound. The walls between the units have an STC rating of 50 or greater as required by the N.Y. City Building Code. The floor / ceiling assembly will also have a STC rating of 50 or greater in compliance with the N.Y. City Building Code.

There will be a flat roof area above the third floor level and above the stair bulkhead at the roof above the third floor level. The roof areas will consist of an inverted roof membrane assembly (IRMA) 2-ply rubberoid roofing finish as manufactured by Siplast on rigid insulation and exterior grade gypsum boards supported by new metal joists which in turn will be supported by the bearing walls at the ends.

The finished surfaces of the roof terraces located at the roof above the third floor level shall consist of 1.25" thick concrete 16"x16" gray pavers as manufactured by Unilock. A portion of the roof along the 6'-0" wide fire department access path shall consist of 5/4" x 6" pressure treated deck boards over 2x4 pressure treated sleepers. Area covered by pressure treated wood deck boards shall comply with 2022 BC 1510.9. Area with combustible decking material measures less than 20% of the contiguous roof area. The structural components of the building have been designed to account for the effects of lateral loads in compliance with the New York City Building Code. Structural Plans shall be filed with and approved by the New York City Department of Buildings by a N.Y. State licensed Professional Engineer.

The construction class of the building shall be noncombustible Construction Type I B as per Table 601 of the 2022 N.Y. City Building Code.

(1) Exterior of buildings:

(i) Walls:

The exterior walls shall be mainly of load bearing, 4 inch brick bonded to 8 inch masonry blocks, 75% solid load bearing masonry walls, finished on the inside side with 4 1/2" closed cell spray foam insulation (R-26), a minimum 5/8" thick gypsum wallboards on 3 5/8" metal studs. The exterior side and rear walls at the stair bulkhead at the roof above the third floor level shall consist of load bearing 5 5/8" 18 gauge galvanized metal stud walls, with a minimum 3/4" thick three step stucco exterior, finished on the inside side with a 4" close cell spray foam insulation between the studs (R-26), finished with two layer of 5/8" thick gypsum wallboards. The unit separation walls will consist of 8 inch, 75% solid load bearing masonry walls, finished on each side with a minimum 5/8" thick gypsum wallboards on 7/8" metal furring channels. The unit separation walls will have a minimum, sound transmission coefficient, STC rating of 56. The unit separation wall assembly shall have a fire rating of 2hrs.

Front, side and rear wall assemblies shall have a fire rating of 2hrs and a minimum, sound transmission coefficient, STC rating of 56.

The steel stud walls between the units are fitted with thermafiber attenuation blankets and fiberglass, batt insulation between the studs (R-13).

The walls between the units have a STC rating of 50 or greater as required by the N.Y. City Building Code. The floor / ceiling assembly will also have a STC rating of 50 or greater in compliance with the N.Y. City Building Code.

Exterior wall composition shall have a thermal performance value in compliance with Chapter 8 of the New York State Energy Conservation Construction Code.

The buildings will be less than six stories in height and therefore does not have to comply with Local Law 11 of 1998 which supersedes Local Law 10.

(ii) Windows:

Windows are to be double-glazed and mainly of the casement type, as manufactured by Andersen. Glazing shall be set in wood frames with a brushed aluminum clad exterior finish. The perimeter of window openings shall be fitted with a latex-based, caulking compound at interior and exterior surfaces. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot and shall comply with Chapter 8 of the New York State Energy Conservation Construction Code. The thermal break system shall utilize polyamide insulating thermal strips fixed by roll forming between the inside and outside faces of the window extrusions. This construction method utilizes single or multiple cavities to create insulated air spaces and a space frame construction that is common in building structural members. The polyamide strips are good thermal insulators and block the transfer of energy (hot or cold) in the frame.

The manufacturer guarantees ten years, parts and hardware, two years labor and twenty years glazing. Windowsills shall be constructed of masonry.

Corrosion resistant lintels above window openings shall be of steel fabrication.

The interior finish of the lintels shall be of gypsum wallboards on steel furring channels at the inside surfaces.

There will be no window guards or screens provided. The hardware provided consists of Andersen casement window sash locks and keepers. All exterior metals, including fasteners, storm, sash, and hardware shall be corrosion resistant.

There will be no lot line windows.

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

(iii) Landmark status:

The buildings will not be located in a Landmark area, nor will the buildings be designated Landmark status.

(2) Parapets and copings:

Parapets shall be constructed of load bearing, masonry walls with a brick veneer finish at the exterior surfaces. Parapets shall be capped with an aluminum metal coping which shall be anchored to the load bearing walls with anchor bolts and shall be flashed with non-corrosive metal flashing. All exterior metals, including fasteners, shall be corrosion resistant.

(3) Chimney and caps:

There will be horizontal, stainless steel, double walled flues, provided, for the direct ventilation of the electric dryers, located in the laundry closets at the cellar floor level and within each unit at the second and third floors. The flues shall terminate at the rear facade of the building. The flues are classified as "medium" temperature and come equipped with aluminum spring loaded back draft dampers. Clean-outs and caps with galvanized mesh bird, weather, and debris protection will also be provided. The flues shall be as manufactured by Amerivent and shall have a B.S.A. approval number (294-56 SM).

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

(4) Balconies and Terraces:

"Balconies and terraces" are not interpreted to include roof areas, unless a proper walking surface is provided, and the space is indicated as an accessory to residential space in the Certificate of Occupancy. A proper walking surface shall be provided at all terraces and balconies and is appropriate for daily foot traffic and use as a terrace. The installation of roof pavers and wood pressure treated deck boards does not void the manufactures roof warrantee.

NYC DOB Schedule "A" indicating rooftop terrace allocation as an accessory use as well as maximum number of 30 persons permitted shall be provided.

Roof terraces located at the roof above the third floor level shall be separated by chain link fencing with integrated privacy slats with standard 3 foot wide gates, which may be secured by padlock or chain capable of being cut by standard bolt cutters in the event of fire department access. There will be no other preventative methods or elements applied for visual screen and privacy between decks allocated as limited common elements provided. Unit owners cannot place obstacles in fire department access path. Fence, fire department access and roof layout are in compliance with NYC Fire Code Section 504.4.4.

(i) Deck Finish;

The finished surfaces of the terraces, located at the roof area above the third floor level shall be an inverted roof membrane assembly (IRMA) 2-ply rubberoid roofing finish as manufactured by Siplast. The finished surfaces of the roof terraces shall consist of 1.25" thick concrete 16"x16" gray pavers as manufactured by Unilock. A portion of the roof along the 6'-0" wide fire department access path shall consist of 5/4" x 6" pressure treated deck boards over 2x4 pressure treated sleepers. Area covered by pressure treated wood deck boards shall comply with 2022 BC 1510.9. Area with combustible decking material measures less than 20% of the contiguous roof area. A suitable walking surface shall be provided. The roof finish for the terraces are appropriate for daily foot traffic and use as a terrace. The installation of roof pavers and wood pressure treated deck boards does not void the manufactures roof warrantee. There will also be cantilevered balconies located at the front façade along 24<sup>th</sup> Avenue at the second and third floor levels of the building. Balconies will be constructed of concrete, reinforced with rebar. Balconies decks will be finished with a nonskid exterior grade finish. Balconies will not have floor drains. Balconies are pitched for proper drainage. Water runoff from surface area will be conveyed to the drywells.

(ii) Balustrade;

There will be no balustrades.

The perimeter of the roof terraces above the third floor level shall be protected with a solid masonry parapet wall with a minimum height of three feet and six inches above the finished roof level.

(iii) Railing;

There will be no railings at the roof terrace areas

Balconies shall be protected at the perimeter with metal rails and posts with a minimum height of three feet, six inches (3'-6") above the finished balcony level.

The maximum spacing between vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. Railing design does not create a "ladder effect".

The metal rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. All exterior metals, including fasteners, shall be corrosion resistant.

(iv) Coping;

The coping at the parapet walls shall be an aluminum coping anchored to the load bearing masonry walls with noncorrosive anchor bolts.

(v) Soffits;

The soffit areas of cantilevered balconies shall be finished with concrete.

(vi) Doors to balconies and terraces;

The doors to the balconies shall be sliding glass doors as manufactured by Andersen.

The doors shall be equipped with double paned, glass set in wood framing which shall be finished with a brushed aluminum cladding. Balcony doors shall have a U-Factor of 0.29 and come with a ten (10) year manufactures warranty.

Doors to the roof area above the third floor level from the stair bulkhead shall be one and one half hour rated, fireproof self-closing steel doors mounted on steel frames.

The distance between the finished roof terrace and balcony deck level and the bottom of the doors shall be approximately two (2) inches. Terrace and balcony doors shall be equipped with an entry type lockset. Exterior doors come equipped with and will utilize a thermal break system which will further reduce temperature transfer.

All windows and doors shall be insulated glass as per minimum requirement of the New York State Energy Code.

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

(5) Exterior Entrances:

(i) Exterior doors and frames:

There will be a total of three (3) exterior entrance doors located at the first floor level of the building along the 24<sup>th</sup> Avenue facade.

Two (2) entrances shall provide direct access to Units 1A & 1C located at the first floor level via the front yard area. The other entrance shall be centrally located and shall provide access to Unit 1B located at that level as well as provide access to the stairs leading to the cellar floor level and stairs leading to the units located at the upper floor levels via a common lobby area.

The centrally located exterior entrance door shall be a glass, self-closing, double glazed, factory-coated Low-E glass, Smooth-Star brand door set in extruded aluminum framing as manufactured by Therma Tru. The two (2) entrance doors providing direct access to Units 1A & 1C are manufactured by Jeld Wen Inc. Exterior doors shall come equipped with and will utilize a thermal break system which will further reduce temperature transfer. Exterior doors shall have a U-Factor of 0.30. The entrance door shall be equipped with an entry type lockset manufactured by Kwikset model # 883351072861 which shall be fitted with an electronic release connected to the intercom system. The Sponsor reserves the right to provide door hardware by a different manufacturer which is equal to or better than noted above.

The sliding glass doors located at the rear of the building accessible from the units at the first floor level of the building shall be double glazed sliding doors, as manufactured by Andersen, set in wood framing with an aluminum clad exterior finish. Sliding glass doors shall have a U-Factor of 0.30. Sliding glass doors shall be equipped with an entry type lockset. All windows and doors shall be insulated glass as per minimum requirement of the New York State Energy Code.

Exterior entrances shall be built free of tripping hazards. Water runoff from surface area will be conveyed to the existing storm sewer fronting the property. Exterior entrances shall be ADA compliant with a min width of 3'-0" and to have a perpendicular clear width of 33".

All exterior metals, including fasteners, shall be corrosion resistant.

(ii) Vestibule doors and frames:

There will be no entrance vestibule doors.

(iii) Exterior stairs:

There will be no stairs at the exterior of the building.

(iv) Railings:

There will be no railings adjacent to the exterior entrance to the building.

(v) Mail boxes:

U.S. approved type mailboxes will be provided at a central location at grade to the front of the building. Mailboxes shall be a wall or floor mounted, cluster box unit of aluminum construction.

(vi) Lighting:

There will be wall mounted lighting fixtures provided adjacent to the entrances at the front of the building. Lighting fixtures will also be provided in the front and side yard areas of the building. The lighting fixture at the main entrances to the units shall be capable of providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent.

The fixtures at the side yard areas shall be capable of providing an aggregate illumination of sixty (60) watts incandescent illumination or its equivalent.

The requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by N.Y. State licensed electricians and shall comply with the New York City Electrical Code.

(6) Service entrances:

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

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and roof structures:

(i) Types:

There will be flat roof areas located above part of the third floor level and above the stair bulkhead of the building.

(a) Material:

The flat roof areas shall be finished with an inverted roof membrane assembly (IRMA) 2-ply rubberoid type, built-up roofing membrane, as manufactured by Siplast, on rigid insulation and exterior grade gypsum wallboards supported by steel joist rafters.

(b) Insulation:

Roof insulation consists of Polyisocyanurate insulation, or other manufacturer acceptable insulation consisting of ½" cover board, over two layers of thermal insulated adhered onto primed roof substrate. The spaces between the steel joist rafters shall be fitted with fiberglass, batt insulation with a minimum R value of 38.

(c) Surface finish:

The finished surface of the roof terraces shall consist of 1.25" thick concrete 16"x16" gray pavers as manufactured by Unilock. A portion of the roof along the 6'-0" wide fire department access path shall consist of 5/4" x 6" pressure treated deck boards over 2x4 pressure treated sleepers. Area covered by pressure treated wood deck boards shall comply with 2022 BC 1510.9. Area with combustible decking material measures less than 20% of the contiguous roof area. The roof area above the stair bulkhead shall be finished with an inverted roof membrane assembly (IRMA) 2-ply rubberoid type, built-up roofing membrane, as manufactured by Siplast on rigid insulation and exterior grade gypsum wallboards supported by steel joist rafters. The Sponsor reserves the right to provide a roof finish by a different manufacturer which is equal to or better than noted above.

(d) Bond or guarantee:

The expected life span of the roof type is a twenty (20) years NDL (No Dollar Limit) warranty . No bond or guarantee other than the twenty (20) year manufactures warranty on all construction materials and workmanship will be furnished. The warranty is issued by the roofing membrane manufacturer. All repair or replacement costs covered under the guarantee shall be borne by the roofing membrane manufacturer

The Commencement date of warranty shall begin at the procurement of the Certificate of Occupancy issued when the work is completed to the satisfaction of the New York City, Department of Buildings. The Sponsor shall obtain a Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan.

A proper walking surface shall be provided at all terraces and balconies and is appropriate for daily foot traffic and use as a terrace. The installation of roof pavers and pressure treated deck boards does not void the manufactures roof warrantee.

(e) Flashing materials including counter flashing:

The perimeter of the roof areas shall be fitted with aluminum flashing and counter flashing.

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

(ii) Drains:

(ii)(a) There will be controlled flow, PVC, roof drains connected to vertical, PVC leaders located at the roof terraces above the third floor level.

The flat roof areas have a tapered slope of a maximum of  $\frac{1}{4}$ " per foot to the drains. Drain groupings shall consist of sets of two drains; one drain shall function as the primary drain with an integrated flow control device and the other will serve as the secondary emergency overflow drain. There are a total of six (6) roof drains located at the roof terraces above the third floor level. The roof drains and leaders will be connected to the building's storm drainage system. Refer to Special Risk for description of maintenance, leak management system and repair responsibilities. The roof drains will be connected to the building's storm drainage system. The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

Roof drainage design and installation of roof drainage systems shall comply with N.Y. Building Code and the New York City Plumbing Code.

(ii)(b) There will be aluminum, through the wall scuppers which will be connected to a vertical, aluminum leader which will drain the storm water runoff from the roof area above the stair bulkhead. The runoff from bulkhead roof area will then be transported to the roof drains at the roof above the third floor level.

(iii) Skylights:

There will be no skylights.

(iv) Bulkheads:

(iv) (a) Stair material;

The exterior walls of the common stair bulkhead shall consist of load bearing 5 5/8" 18 gauge galvanized metal stud walls, with a minimum  $\frac{3}{4}$ " thick three step stucco exterior finish over 2" rigid continuous insulation (R-6), finished on the inside side with a 2.5" spray polyurethane foam insulation with a minimum R value of 13, finished with 2 layers of 5/8" thick gypsum wallboards.. Stairway access to the roof comply with 2014 NYC Fire Code, FC Chapter 10 (Means of Egress).

(iv) (b) Elevator material;

There will be no elevator bulkheads.

(iv) (c) Other;

There will be no other bulkheads.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior stairs at the roof areas.

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

There will be one wrought iron ladder gooseneck ladder providing access from the roof terrace area above the third floor level to the roof area above the stair bulkhead of the building. The wrought iron ladder will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the ladders is Rust-Oleum Professional high performance protective enamel Flat Black exterior metal paint. All exterior metals used including fasteners shall be corrosion resistant.

(v) (c) Railings;

There will be no railings at the roof areas.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

There will be no lightning protection provided or other metal structures at the roof areas.

(vi) Rooftop Facilities:

There will be no rooftop facilities. The open roof terrace area at the roof above the third floor level will be a limited common element for Units 2A,2B,2C,3A,3B and 3C. Limited common elements are permitted and are in compliance with all NYC Zoning and Building Code requirements. DOB approved drawings shall be provided. Roof terraces located at the roof above the third floor level shall be separated by 6'-0" high chain link fences with integrated privacy slats with standard 3 foot wide gates, which may be secured by padlock or chain capable of being cut by standard bolt cutters in the event of fire department access. There will be no other preventative methods or elements applied for visual screen and privacy between decks allocated as limited common elements provided. Unit owners cannot place obstacles in fire department access path. Fence, fire department access and roof layout are in compliance with NYC Fire Code Section 504.4.4. The open roof terrace areas at the roof above the third level utilizes approximately 60% of the roof area for limited common elements.

Maximum allowable occupancy of roof used for Limited Common Element are designed in accordance with Buildings Bulletin 2018-002 §B. The proposed maximum occupant load of roof shall not exceed 30 persons. Sponsor will not be providing any furniture or equipment.

NYC DOB PW1-A shall indicate rooftop terrace allocation as an accessory use to residential spaces in the final Certificate of Occupancy issued at the completion of the project as per NYC DOB Buildings Bulletin 2018-002 §D. A proper walking surface shall be provided at all roof terraces.

Rooftop access and roof layout are designed in compliance with 2014 NYC Fire Code Section 504.4 (Rooftop Access).

Roofing area is exempt from a “sustainable roofing zone”, as per Buildings Bulletin 2019-010 §C5. Recreational spaces that are integral to the principal use of the building on which the rooftop is located, including but not limited to roof terraces and passive recreation areas that are documented on the certificate of occupancy.

(8) Fire escapes:

There will be no fire escapes at the exterior of the buildings as fire escapes are not permitted on new buildings. The following sub sections will not be applicable to this Report:

- (i) Location;
- (ii) Floors covered;
- (iii) Drop ladder;
- (iv) Type;
- (v) Materials;

(9) Yard and courts:

The building will have two (2) front yards areas, one (1) adjacent to 24<sup>th</sup> Avenue and one (1) front yard area adjacent to 84<sup>th</sup> Street; and two side yard areas.

The front yard area adjacent to 84<sup>th</sup> Street will have a depth of approximately 18'-0" measured perpendicular to the front façade of the building and approximately 10'-0" measured perpendicular to the front façade along 24<sup>th</sup> Avenue. The side yard area accessible along 84<sup>th</sup> Street measures a width of approximately 9'-0" measured perpendicular to the side façade of the building and shall be accessible from 84<sup>th</sup> Street via the driveway located at the northwesterly most side yard. The side yards will be a limited common element for Units 1A, 1B & 1C and shall be accessible via Units 1A, 1B & 1C at the rear of the first floor level.

The side yard area accessible along 24<sup>th</sup> Avenue measures a width of approximately 9'-0" measured perpendicular to the side façade of the building.

(i) Paving:

The front yard areas will be of poured concrete and parts shall be of compacted earth and grass covered. The side yard areas shall be of poured concrete.

Areaways shall be protected by a steel grating and shall be able to support a minimum load of approximately one hundred and sixty pounds per square foot.

(ii) Drainage:

The run-off from the yard areas will be transported via PVC horizontal drains to the existing New York City sewer system. Some of the run-off from the yard areas will be transported to the drywells located in the front yard along the 84<sup>th</sup> Street facade.

(iii) Railing:

There will be no railings at the exterior of the building.

(iv) Stairs:

There will be no stairs at the exterior of the building.

(v) Fencing:

There will be a new 6'-0" high composite fence with standard 3 foot wide gates, which may be secured by padlock or chain capable of being cut by standard bolt cutters in the event of fire department access, at the perimeter of the side yards and between the L.C.E. yard areas of the site. Composite fencing is enclosed in a manufacturers factory applied "Ultra-shield" which is an impermeable seal resistant to weather, sun, water and scrapes.

(vi) Walls:

There will be no walls constructed at the yard areas of the property.

(10) Interior stairs:

(i) Number and type:

There will be one common interior stair, which will provide egress from the cellar to the first floor levels and one common interior stair, which will provide egress from the second and third floor levels as well as the roof area, above the third floor. There will be an accessory interior stair within the units located at the first and cellar floor levels. Common interior stairs have been designed in compliance with the New York City Building Code.

(ii) Enclosure:

The walls of the interior, stair enclosures shall be constructed of steel studs with two layers of one hour rated gypsum wallboards on each side. Ceiling areas, below landings shall also be finished with gypsum wallboards which will be primed and painted. The interior stairs within the units at the cellar and first floor levels shall be open stairs which will be finished with gypsum wallboards at the wall areas adjacent to the stairs.

(iii) Stair construction:

The common interior stairs and stairs within the units shall be of steel pan construction with concrete treads and steel pipe handrails.

(iv) Stringers:

The stringers at the common interior stairs and stairs within the units shall be steel channel stringers.

(v) Treads:

The treads at the common interior stairs and stairs within the units shall be of poured concrete.

(vi) Risers:

The risers at the common interior stairs and stairs within the units shall be of steel plate construction.

(vii) Guard rails:

The perimeter of stair landings at the common stairs shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the railing is black powder coated. All metals used including fasteners shall be corrosion resistant stainless steel.

The perimeter of stair landings at the accessory stairs within the units at the first floor level shall be protected with steel pipe handrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(viii) Balustrade:

There will be no balustrades at the perimeter of stair landings.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:

Unit entrances will be metal. Frames will be of steel. Each unit door will have a unit number, an interview peephole and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a matte black finish. The Sponsor reserves the right to provide door hardware by a different manufacturer which is equal to or better than noted above.

Doors within units shall be of solid core wood or of another material and do not have to be fire rated. Interior doors will be set in wood or steel frame and shall be equipped with a passage type lockset. Interior doors shall be primed and ready to paint, textured wood grain surface. The Storage/Mechanical closets and Storage unit's doors and frames, located at the front of the cellar floor level, will be hollow metal, steel covered, fireproof, self closing doors with a minimum of one and one half hour rating. The Storage/Mechanical closets and Storage unit doors shall be mounted on metal frames and shall be equipped with a manual, keyed entry type lockset manufactured by Ultra Knob model # 44221 with a stainless steel finish.

(ii) Corridor doors and frames:

Corridor doors and frames, located at the cellar floor level of the building, will be hollow metal, steel covered, fireproof, self closing doors with a minimum of one and one half hour rating and shall be mounted on steel frames.

(iii) Stair hall doors and frames:

The stair hall entrance doors to the units shall be hollow metal, fireproof, self closing doors with a minimum fire rating of one and one half hours. Stair hall doors shall be mounted on metal frames and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a satin nickel finish. The Sponsor reserves the right to provide a lockset by a different manufacturer which is equal to or better than noted above.

(iv) Roof Doors, Cellar Doors and frames:

Doors at the cellar floor level providing access to meter rooms, sprinkler rooms and mechanical rooms shall be one and one half hour rated, fireproof self closing steel doors mounted on steel frames.

(12) Elevators:

There will be no elevators in the building. The following sub sections will not be applicable to this Report:

- (i) Number;
- (ii) Manufacturer & capacity;
- (iii) Type of Operation;
- (iv) Automatic (Type of controls);
- (v) Floors served;
- (vi) Type (hydraulic, gearless)
- (vii) Doors (sliding, swinging, manual, automatic);
- (viii) Location of machine rooms;
- (ix) DC motor (manufacturer);
- (x) AC motor generator set (manufacturer);
- (xi) Other;

(13) Elevator cabs:

There will be no elevator cabs in the buildings. The following sub sections will not be applicable to this Report:

- (i) Kind (manufacturer);
- (ii) Floor (Material);
- (iii) Walls (Material);
- (iv) Ceiling (Material);
- (v) Lighting;
- (vi) Alarm, Safety system;

(i) **AUXILIARY FACILITIES**

There will be no other auxiliary facilities, such as package rooms, or bicycle rooms. Storage room finishes will consist of concrete flooring with gypsum wallboards for the walls and ceilings. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

There will be three (3) storage rooms located at the cellar floor level towards the front of the building. Two (2) storage rooms shall be allocated as limited common elements for Unit 2B and the other storage room for Unit 2C.

There will be a total of six (6) storage/mechanical closets located in the cellar floor level towards the front of the building. Units 2A, 2B, 2C, 3A, 3B and 3C will each have a storage/mechanical closet allocated as a limited common element. The hot water heaters for Units 2A, 2B, 2C, 3A, 3B and 3C will be located within the storage/mechanical closets.

The doors leading to the storage rooms and the storage/mechanical closets will be hollow metal, steel covered, fireproof, self-closing door with a minimum of one- and one-half hour rating. Doors shall be locked and accessible with a key. No other security shall be provided for unit owners' personal property.

(1) Laundry rooms:

(i) Location and number of rooms;

There will be one laundry closet provided within each residential unit with hookups for a domestic, stackable type washer and electric dryers at the cellar, second and third floor levels. The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary.

(ii) Clothes washers;

There will be no clothes washer provided by the Sponsor.

(iii) Clothes dryers;

There will be no dryers provided by the Sponsor.

(iv) Room ventilation;

There will be no mechanical exhaust ventilation provided for the laundry closets.

The laundry closet doors do not have ventilation louvers.

(v) Dryer ventilation;

There will be a horizontal, steel exhaust vent duct provided in each laundry closet for the electric dryers. Each exhaust vent will terminate at the rear façade of the building. Unit owners are advised to leave door to laundry closets open while dryer is in use.

(2) Refuse disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no garbage compactors in the building.

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required. Garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Refuse disposal will be the responsibility of each individual unit's occupant.

There will be garbage cans for temporary storage provided in the front yard area of the building. Each unit's occupants will collect their own garbage and carry it to the garbage cans to be stored. The garbage will then be placed at curbside on the day or night prior to collection. The New York City Sanitation Department will then collect the garbage on days designated for garbage removal.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site are Mondays, Wednesdays and Fridays as per the N.Y. City Department of Sanitation website. All refuse and recycling shall be put out on the curb not earlier than the night before the scheduled collection day listed above.

(3) Bike Storage: Not applicable to this project.

(4) Storage:

There will be three (3) storage rooms located at the cellar floor level towards the front of the building. Two (2) storage rooms shall be allocated as limited common elements for Unit 2B and the other for Unit 2C.

There will be a total of six (6) storage/mechanical closets located in the cellar floor level towards the front of the building. Units 2A, 2B, 2C, 3A, 3B and 3C will each have a storage/mechanical closet allocated as a limited common element. The hot water heaters for Units 2A, 2B, 2C, 3A, 3B and 3C will be located within the storage/mechanical closets.

The storage rooms and the storage/mechanical closets will be separated by 6" two hour fire rated drywall assembly consisting of 3 5/8" metal studs with two layers of 5/8" type x gypsum board on each side.

The doors leading to the storage rooms and the storage/mechanical closets will be hollow metal, steel covered, fireproof, self-closing door with a minimum of one- and one-half hour rating. Doors shall be locked and accessible with a key. No other security shall be provided for unit owners' personal property.

The storage rooms and the storage/mechanical closets shall be accessible via a common hall and stair at the cellar floor level accessed through the residential lobby at the first floor level.

(j) **PLUMBING AND DRAINAGE**

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a 2" ductile iron water main conveying the water into the building as per DEP standards. The main shut off valve shall be located in the sprinkler room at the cellar floor level. Each residential unit is to be supplied with cold water from a minimum 1/2" copper piping. Each residential unit will have its own electric hot water heater, located in a mechanical room at the cellar floor level. Hot & Cold water piping shall be insulated with minimum R2 insulation value throughout as per NYECCC 403.4 with a 3/4" thickness.

Backflow preventer, (Reduced Pressure Zone "RPZ") may be required and will be located at the cellar floor towards the front of the building, for back flow prevention of the City water system as required by

The building relies on the normal New York City water pressure for raising the water to the third floor level so that no water tanks are required.

(2) Fire Protection System:

The entire building will be equipped with a sprinkler system. The sprinkler system will be a wet standpipe sprinkler system. The sprinkler system will be equipped with a 3"x3"x3" siamese connection and water motor gong located adjacent to the entrances at the first floor level.

The sprinkler heads throughout the building will be mainly concealed, pendant type, sprinkler heads. Separate sprinkler application shall be filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Mechanical Engineer and the required permit secured prior to the installation of the sprinkler system. Each unit shall also be equipped with smoke detectors and carbon monoxide detectors at a maximum distance of fifteen feet from any bedroom door within the unit, as required by the New York City Building Code.

(iii) Sprinkler heads (type, location);

Sprinkler heads will be installed throughout the building and will consist of new concealed quick response pendent sprinkler heads, as manufactured by Victaulic model# V3806, with a ½" thread & orifice, 5.6 K-Factor, 135 Degree F., 1" adjustable, with UL Certification # EX5170.

(iv) Siamese connection (type, location);

There will be a 3"x3"x3" NYC Fire Department approved Siamese connection located at the front façade of the building at a minimum of 18" from grade to a maximum of 36" from grade level.

(3) Water storage tank(s) and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure:

The building relies on normal New York City water pressure for raising water to the third floor level so that no tanks or pumps are required. The water pressure at the site is approximately 50 psi.

(5) Sanitary sewage system:

(i) Sewage piping (material);

Sewage piping material shall be of PVC.

(ii) Sewage pump:

There will be three (3) ejector/sewage pumps located at the cellar floor level for the sanitary sewage for the cellar level. The ejector/sewage pumps shall be model P382LE51 as manufactured by Liberty Pumps, or equal. The system shall be factory pre-assembled with the pumps, discharge pipe nipples and floats pre-mounted in the basin. Volume capacity is 44 U.S. gallons. Each ejector/sewage pump comes with a 3-year manufactures warranty.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar area towards the front of the building. Beyond the house trap there is an existing extra heavy cast iron, sanitary drain pipe which will be connected to the existing 8" public, sanitary sewer located in the roadway beneath 24<sup>th</sup> Avenue.

(6) Permit(s) required:

Permits for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within each of the buildings and on the site.

A site connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm drainage system:

The onsite, storm drainage system will consist of vertical interior PVC drain pipes, exterior drains and drywells. All area drains and interior drain pipes shall be of PVC. The building will have three (3) 8'-0" wide x 4'-0" deep concrete drywells. Drywells shall be located in the front yard area of the building along 84<sup>th</sup> Street and each drywell measures to have a capacity of approximately 168.95 cubic feet.

All storm water and run-off from the surface and roof areas is handled on site and will be conveyed to the drywells.

The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch basins;

Catch basins are located in the public roadway along 24<sup>th</sup> Avenue and have been installed and designed by and to the standards of the N.Y. City Department of Transportation. Catch basins are constructed of concrete with steel grating covers.

(ii) Yard and roof drains;

There will be interior vertical drain pipes located at the roof area above the third floor level of the building. Area drains will be located in the front and side yard areas of the building as applicable.

Interior vertical drain pipes at the pitched roof areas shall be of PVC.

(iii) Piping;

Vertical drain piping at exterior roof areas shall be aluminum. Interior vertical drain pipes shall be of PVC.

(iv) Ejector or sump pumps;

There will be no storm water drainage sump pumps.

(k) **HEATING**

- (1) Heating and distribution of domestic hot water and whether capable of providing peak required services:

Domestic hot water will be provided for each unit by electric domestic hot water heaters located in the storage/mechanical closets at the cellar floor level of the building. The hot water heater for each unit shall be model number **ENT-50**, as manufactured by **A.O. SMITH CORPORATION**. Each unit has a 50 gallon capacity with dual 4500 watt heating elements and a Uniform Energy Factor (UEF) rating of 0.92, which will be adequate to provide hot water for each unit.

The hot water heater units come with a six-year manufactures warranty and a six year manufactures warranty for parts.

Heating of each residential unit will be achieved by the heating cycle of the ductless split HVAC system as manufactured by **Mitsubishi Electric**. Heated air will be transported to spaces within the residential units via wall mounted air units. Factory double insulated distribution line sets and wall mounted air units will be provided in each bedroom and living space for the initial room layouts as constructed by the sponsor. The HVAC system is controlled using a wireless seven-day programmable remote controller manufactured by **Mitsubishi Electric** to regulate temperature in individual rooms. All HVAC piping shall be properly insulated with minimum 1" thick Armaflex brand closed cell foam insulation that has an R value of 7.2.

The HVAC units come with a seven-year manufactures warranty and a five year manufactures warranty for parts. The sponsor reserves the right to provide HVAC & condenser units by different manufacturers, which are equal to or better than listed above the space heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees Fahrenheit with a 15 mph wind (in accordance with ASHRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport).

- (2) Number of boilers and description:

The building will have nine (9), new, electric hot water heaters provided in the storage / mechanical closets and in the laundry / mechanical closets at the cellar floor level, one for each residential unit.

(3) Manufacturer (model, capacity):

The electric hot water heater shall be model number **ENT-50**, as manufactured by **A.O. SMITH CORPORATION**, with a certified to UL 174 for household electric water heaters. Each unit has a 50 gallon capacity with dual 4500 watt heating elements and a Uniform Energy Factor (UEF) rating of 0.92, which will be adequate to provide hot water for each unit. The hot water heater units come with a six-year manufactures limited warranty and a six year manufactures limited warranty for parts. The Sponsor reserves the right to provide hot water heaters by different manufacturers which are equal to or better than noted above.

Heating of each unit shall be achieved by supplying the hot air (via wall mounted indoor units) to the different spaces within the unit.

The HVAC units shall be manufactured by **Mitsubishi Electric**. The condensers for the cellar portion of residential Units 1A,1B &1C shall be **Mitsubishi Electric**, Model # MUZ-GS18NAHZ4-U1 with a rated capacity of 18,000 B.T.U. per hour combined with Mitsubishi MSZ-GS06NA-U1 wall mounted indoor units. The condensers for the residential Units 1A, 1B, 1C, 2A, 2B, 2C, 3A, 3B & 3C shall be **Mitsubishi Electric**, Model # MXZ-3C30NAHZ4-U1 with a rated capacity of 30,000 B.T.U. per hour combined with Mitsubishi MSZ-GS18NA-U1 wall mounted indoor units. Each condenser will operate with an energy efficiency rating of approximately 12.0 and a seasonal energy efficiency rating of 18.0.

The Sponsor reserves the right to provide hot water heaters and HVAC units by different manufacturers which are equal to or better than noted above.

(4) Manufacturer and age of burners:

Electric hot water heater, heating elements will be new and will be as manufactured by **AO SMITH**.

HVAC system will be new and will be manufactured by **Mitsubishi Electric**.

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

- (5) Type of controls:  
Electric hot water heaters shall be equipped with thermostats.  
The HVAC system is controlled using a wireless seven day programmable remote controller manufactured by **Mitsubishi Electric** to regulate temperature in individual rooms.
- (6) Radiators, piping etc.:  
There will be no baseboard radiators. Bathrooms will have electric baseboards radiators.
- (7) Fuel (supply system):  
There is no gas service provided. The building will use electricity for domestic cooking, heating, and hot water heating
- (8) Location of oil tank:  
There will be no oil tanks in any of the buildings.
- (9) Capacity of oil tank:  
There will be no oil tanks in any of the buildings.

(I) **GAS SUPPLY**

There is no gas service provided. The building will use electricity for domestic cooking, heating, and hot water heating. The following sections will not be applicable to this Report:

- (1) Type:
- (2) Meters:
- (3) Piping:

(m) **AIR CONDITIONING**

The cooling systems shall be designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code. All exterior metals, including fasteners, shall be corrosion resistant.

(1) Type of system,

Cooling of each residential unit will be achieved by the cooling cycle of the ductless split HVAC system as manufactured by Mitsubishi Electric. Cooled air will be transported to the spaces within the residential units via wall mounted indoor units. The condenser units shall be mounted on the exterior walls at each side yard, on the rear façade of the building and at the roof above the third floor and at the roof above the stair bulkhead, but owned and maintained by the residential unit owners. Factory double insulated distribution line sets and wall mounted indoor units will be provided in each bedroom and living space for the initial room layouts as constructed by the sponsor. The HVAC system is controlled using a wireless remote controller to regulate temperature. All HVAC piping shall be properly insulated with minimum 1" thick Armaflex brand closed cell foam insulation that has an R value of 7.2.

The sponsor reserves the right to provide HVAC & condenser units by different manufacturers, which are equal to or better than listed above.

(2) Central System (manufacturer, model, capacity):

Cooling of the residential units shall be achieved by supplying the cooled air (via wall mounted indoor units) to the different spaces within the unit, as manufactured by Mitsubishi Electric. The condenser units, which will generate the energy required for cooling, will be located on the exterior walls at each side yard, on the rear façade of the building and at the roof above the third floor and at the roof above the stair bulkhead. The condensing units will be installed on elevated mini split mounting stands with vibration isolators and will be designed to comply with the acceptable noise levels as per Section 27-770 of the N.Y. City Building Code. All roof top piping shall be properly insulated.

Condensing units will be subject to inspection and signoff by the Department of Buildings prior to a final sign off being issued. All exterior metals, including fasteners shall be corrosive resistant.

The HVAC units come with a seven year manufactures warranty and a five year manufactures warranty for parts.

(3) Cooling towers or Condensers (number, location, description):

There will be a total of twelve (12) condenser units. Condensers will be located on the exterior walls at each side yard, on the rear façade of the building and at the roof above the third floor and at the roof above the stair bulkhead.

The condenser units shall be:

| <u>Model number</u>     | <u>Manufacturer</u>        | <u>Units Serviced</u>              | <u>Input capacity</u> | <u># of units</u> |
|-------------------------|----------------------------|------------------------------------|-----------------------|-------------------|
| <b>MUZ-GS18NAHZ4-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 1A,1B &amp;1C @Cellar</b>  | <b>18,000 Btu/h</b>   | <b>3</b>          |
| <b>MXZ-3C30NAHZ4-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 1A,1B &amp;1C @ 1st Fl</b> | <b>30,000 Btu/h</b>   | <b>3</b>          |
| <b>MXZ-3C30NAHZ4-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 2A,2B &amp;2C</b>          | <b>30,000 Btu/h</b>   | <b>3</b>          |
| <b>MXZ-3C30NAHZ4-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 3A,3B &amp;3C</b>          | <b>30,000 Btu/h</b>   | <b>3</b>          |

The wall mounted indoor units shall be:

| <u>Model number</u>  | <u>Manufacturer</u>        | <u>Units Serviced</u>              |
|----------------------|----------------------------|------------------------------------|
| <b>MSZ-GS06NA-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 1A,1B &amp;1C @ Cellar</b> |
| <b>MSZ-GS18NA-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 1A,1B &amp;1C @ 1st Fl</b> |
| <b>MSZ-GS18NA-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 2A,2B &amp;2C</b>          |
| <b>MSZ-GS18NA-U1</b> | <b>Mitsubishi Electric</b> | <b>Unit 3A,3B &amp;3C</b>          |

Units installed should be U.L. approved or N.Y. City M.E.A. or B.S.A. approved if necessary and shall have a minimum efficiency rating of 80%.

HVAC systems to be installed, shall be designed by a N.Y. State licensed mechanical engineer and shall be filed with and approved by the N.Y. City Department of Buildings, prior to installation.

HVAC systems to be installed, shall be designed by a N.Y. State licensed mechanical engineer and shall be filed with and approved by the N.Y. City Department of Buildings, prior to installation.

- (4) Individual units covered by the offer (window / sleeve- number, location, description);  
There will be no individual air conditioning units or AC sleeves provided at the exterior of the building.

(n) **VENTILATION**

The spaces that require mechanical ventilation in the units are the interior bathrooms and kitchens. These spaces shall be equipped with vertical and horizontal ducts with a fan which terminates to the outside air. Mechanical ventilation ducts to the outside air shall also be provided for the electric dryers within the laundry closets. The minimum rate of exhaust ventilation shall be 50 cfm, for bathroom and toilet room areas and 100 cfm exhausted intermittently for kitchens as required by the New York City Building Code. Exhaust ventilation has an HVI sound rating of 1.2 sones. The Sprinkler room located at the Cellar Floor level is provided with a 6" x 6" Fresh Air Intake Fresh Air Intake, with an aluminum louver and bug screen at the exterior face.

There is no cooking; living or sleeping permitted in the accessory cellar area thus ventilation requirements do not apply as per New York City Building Code.

Building plans have been reviewed for ventilation requirements and compliance to all NYC building Code by the NYC DOB.

(o) **ELECTRICAL SYSTEM**

There are no provisions for electricity supply in the event of power outages. There will be no generators provided.

(1) Service from main service switchgear:

The electrical service to the building will be brought in from the terminal point of the Con Edison Company. The service supplied to the building shall be a 400 Amp, 110 / 220 Volt, triple phase, #500 MCM copper wire or #600 MCM aluminum wire, service.

The electrical service will be transported throughout the building via, new, insulated, #1 THHN copper wire cables or 2/0 THHN aluminum wire cables. The electrical system will be adequate to handle all residential units as well as the common areas of the building. An electrical load letter shall be submitted detailing load calculations for the main circuit breaker.

(2) Service to individual units:

There will be separate meters for each residential unit.

Service size to Residential Units shall range from circuit breakers to units and ratings: 125 amps, 120/208 volt, single phase, service

The electrical service will be transported throughout the apartment via, new, insulated, #1 THHN copper wire cables or 2/0 THHN aluminum wire cables.

- (3) Compartment switchgear:  
The sectional meter boards and transformers supplying power to the meter boards will be located in an electrical meter room at the cellar floor level towards the front of the building.
- (4) Unit service:  
Each residential unit will be equipped with 125 Amp circuit breakers.  
The electrical system will be adequate to handle modern usage and appliances such as air conditioners, induction ranges, dishwashers, and electric dryers.  
Arc Fault Circuit Interrupter receptacles and Ground Fault Circuit Interrupter receptacles will be provided; Tamper Resistant receptacles will be provided in all areas.  
Water Resistant receptacles will be provided in exterior areas.
- (5) Adequacy:
- (i) Service;  
There will be approximately twenty five circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, induction ranges, dishwashers, and electric dryers.
- (ii) Lighting and fixtures;  
There shall be at least one centrally located, overhead, incandescent, or equivalent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination.  
Lighting fixtures and electrical outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.
- (iii) Convenience outlets, appliance outlets;  
There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, toilet room etc. within each unit.  
Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) **INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV**

Each unit will be equipped with an intercom at the entrance, which will permit voice contact between the inside of the unit and the exterior. The intercom at the main entrances shall be Model BE-D5S and within each unit shall be Model # BE-V5-7RW, as manufacture by BEC AUDIO. There is no CCTV system provided.

BEC AUDIO warrants its products to be free of manufacturer defects for one year of actual sale date. This warranty only applies to products purchased from authorized dealers or distributors. If proof of installation cannot be supplied the manufacturer serial number or date code will be substituted.

The building will be wired for Verizon FIOS and Cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment which is equal to or better than noted above.

(q) **PUBLIC AREA LIGHTING**

Lighting fixtures will be provided in public stairways and hallways. Fixtures shall be capable of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixtures shall be provided with one or more lights of a total of not less than sixty (60) watts. In addition, lighting fixtures shall be provided at the front entrances, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent. There shall also be provided, in the yard areas to the front and side, at least one light, each of at least forty (40) watts incandescent illumination.

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by a N.Y. State licensed Electrician and shall comply with the New York City Electrical Code.

Public area lighting shall be:

| <u>Location</u> | <u>Manufacturer</u>     | <u>Model number</u> | <u>Internet #</u> |
|-----------------|-------------------------|---------------------|-------------------|
| Entry Pendant   | Monteaux Lighting       | DC-C591001A         | 206714589         |
| Common Hall     | Progress Lighting       | P3511-20            | 205805087         |
| Exterior Front  | Minka Lavery            | 73063-246           | 206060686         |
| Exterior Sides  | Feiss Industrial Modern | OLPL7000ORB         | 205321291         |

(r) **GARAGES AND PARKING AREAS**

(1) Location of garages;

There will be no garages.

(2) Location of parking areas;

There will be open parking areas located in the front yard accessible and adjacent to 84<sup>th</sup> Street and an open parking area located in the side yard accessible and adjacent to 24<sup>th</sup> Avenue. There will be a total of six (6) open parking spaces as required as per the NYC zoning regulations. Parking unit P3 located in the front yard accessible and adjacent to 84th Street is a designated ADA Parking Space measuring approximately 8'-6" x 18'-0" with an adjacent 8'-0" access aisle as required.

Parking units P1 & P2 will be arraigned as tandem parking. The two motor vehicles park nose-to-end in tandem. It shall be noted as a Special Risk that Unit P1 (the first motor vehicle) does not have independent access, and Unit P2 (the second motor vehicle) must move to provide access.

Parking spaces measure approximately 8'-6" x 18'-0". The parking spaces are for the use of the owner occupants, exclusively. Sponsor may rent any off-street parking to non-occupants of the building, for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to occupants within 30 days after a written request made to the sponsor, by such occupants. The parking layout in the side yard is adequate to permit convenient access and maneuvering in accordance with regulations promulgated by the N.Y. City Department of Buildings.

(3) Surfaces:

The parking spaces shall be of poured, reinforced concrete on gravel and compact fill.

(4) Parking:

The parking will not be attended.

(5) Garage ventilation:

There will be no garage hence no ventilation required.

(6) Garage fire protection:

There will be no garage hence no fire protection required.

(7) Drainage:

Parking areas will be equipped with two (2) PVC area drains which will be connected to concrete drywells which will be part of the building's storm drainage system.

(s) **SWIMMING POOL(S)**

There will be no swimming pools in or at the exterior of any of the buildings. The following sections will not be applicable to this Report:

- (1) Type (concrete, material composition) and Location;
- (2) Size (length, width, depth, capacity);
- (3) Enclosure (material including roof);
- (4) Pumping and filter system;
- (5) Water heating equipment;
- (6) Structural support system (roof location);

(t) **TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES**

There will be no tennis courts playgrounds or recreational facilities in or at the exterior of any of the buildings. The following sections will not be applicable to this Report:

- (1) Tennis Courts:
  - (i) Type (clay, macadam, turf);
  - (ii) Number and Size;
  - (iii) Lighting (number and type);
  - (iv) Fencing and enclosure;
- (2) Playgrounds (size and location);
- (3) Other Recreation facilities;

(u) **PERMITS AND CERTIFICATES**

All required permits and sign-offs required and Certificate of Occupancy are to be obtained by the Sponsor.

The following permits will be obtained by the Sponsor:

| PERMIT TYPE                                | AGENCY                                 |
|--------------------------------------------|----------------------------------------|
| Demolition                                 | Department of Buildings                |
| Fence                                      | Department of Building                 |
| General Construction                       | Department of Buildings                |
| Plumbing                                   | Department of Buildings                |
| Electrical                                 | Department of Buildings                |
| Mechanical/HVAC                            | Department of Buildings                |
| Site Connection                            | Department of Environmental Protection |
| Builders Pavement (Construct new sidewalk) | Department of Transportation           |

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31<sup>st</sup> of each year and are required to be renewed.

The following is a list of all recurring inspections to be done after the building is in operation:

- Sprinkler inspection - to be conducted annually
- Backflow Valve inspection - to be conducted annually
- As per NFPA 80 - 5.2 Inspections: Fire door assemblies shall be inspected and tested not less than annually, and a written record of the inspection shall be signed and kept for inspection by the AHJ.

(v) **VIOLATIONS**

There are currently no active violations listed for the property as per the N.Y. City Department of Buildings Information System website. Sponsor will cure any outstanding violation prior to the closing.

(w) **UNIT INFORMATION**

The buildings will have a total of nine (9) residential units and six (6) open parking spaces. The residential units will be located at the first through third floor levels. Part of the cellar floor level towards the rear of the building will be used in conjunction with the units at the first floor level. The floor to ceiling height of the cellar floor level shall measure approximately 8'-0". The floor to ceiling heights of the first, second and third floor levels shall measure approximately 8'-8". There will be three (3) storage rooms located at the cellar floor level towards the front of the building. Two (2) storage rooms shall be allocated as limited common elements for Unit 2B and the other storage room shall be allocated as limited common elements for Unit 2C. There will be a total of six (6) storage/mechanical closets located in the cellar floor level towards the front of the building. Units 2A, 2B, 2C, 3A, 3B and 3C will each have a storage/mechanical closet allocated as a limited common element. Accessory space in the cellar is non-habitable, accessory use only, not for living, sleeping or cooking and may not be rented independently.

**Units P1 through P6 will each consist of:**

One open parking space

**Units 1A and 1C will each consist of:**

Two (2) bedrooms, two and one half (2 ½) bathrooms, living / dining room, kitchen, mechanical/laundry closet and accessory space;

**Unit 1B will consist of:**

Two (2) bedrooms, one and one half (1 ½) bathrooms, living / dining room, kitchen, mechanical/laundry closet and accessory space;

**Units 2A, 3A and 3C will each consist of:**

Two (2) bedrooms, two (2) bathrooms, living / dining room, kitchen, laundry closet and storage / mechanical closet;

**Unit 2B will consist of:**

Two (2) bedrooms, one (1) bathroom, living / dining room, kitchen and laundry closet, storage / mechanical closet and two (2) storage rooms;

**Unit 2C will consist of:**

Two (2) bedrooms, two (2) bathrooms, living / dining room, kitchen and laundry closet, storage / mechanical closet and storage room;

**Unit 3B will consist of:**

Two (2) bedrooms, one (1) bathroom, living / dining room, kitchen and laundry closet and storage / mechanical closet;

**UNIT SIZES:**

The dimensions indicated are approximate and are located: horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

The approximate square footages for each unit are as follows:

|                       |              |                           |
|-----------------------|--------------|---------------------------|
| <b><u>Unit P1</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit P2</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit P3</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit P4</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit P5</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit P6</u></b> | Grade        | = 153.00 sq. ft.          |
| <b><u>Unit 1A</u></b> | Cellar Floor | = 781.00 sq. ft.          |
|                       | First Floor  | = <u>1,052.00</u> sq. ft. |
|                       |              | 1,833.00 sq. ft.          |
| <b><u>Unit 1B</u></b> | Cellar Floor | = 676.00 sq. ft.          |
|                       | First Floor  | = <u>901.00</u> sq. ft.   |
|                       |              | 1,577.00 sq. ft.          |
| <b><u>Unit 1C</u></b> | Cellar Floor | = 785.00 sq. ft.          |
|                       | First Floor  | = <u>929.00</u> sq. ft.   |
|                       |              | 1,714.00 sq. ft.          |
| <b><u>Unit 2A</u></b> | Second Floor | = 1,051.00 sq. ft.        |
| <b><u>Unit 2B</u></b> | Second Floor | = 820.00 sq. ft.          |
| <b><u>Unit 2C</u></b> | Second Floor | = 1,051.00 sq. ft.        |
| <b><u>Unit 3A</u></b> | Third Floor  | = 1,051.00 sq. ft.        |
| <b><u>Unit 3B</u></b> | Third Floor  | = 820.00 sq. ft.          |
| <b><u>Unit 3C</u></b> | Third Floor  | = 1,051.00 sq. ft.        |

(1) **UNIT FINISHES:**

The units will be finished as described herein.

The finished floor of the living/ dining, accessory space in the cellar and bedroom areas of the residential units shall be a luxury vinyl plank (LVP) finished flooring on 5/8" plywood subflooring. The Sponsor reserves the right to provide flooring of a different species or grade which is equal to or better than noted above. Thereafter unit owners may finish carpeting or another material of their own choice and at their own expense. Storage room finishes will consist of concrete flooring with gypsum wallboards for the walls and ceilings.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings are finished with one coat of primer: Sherwin Williams Multi-Purpose Interior/Exterior Latex Primer/Sealer. Ceiling Paint: Sherwin Williams ProMar Ceiling Paint – interior latex flat. Wall Paint: Sherwin Williams ProMar 200 extra white. Two coats of finished paint. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Residential kitchens shall have wood floors and gypsum wallboard walls and ceilings. Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

When completed, the following interior finishes will be installed.

|    | <u>Location</u>    | <u>Floors</u> | <u>Base</u>  | <u>Walls</u>        | <u>Ceilings</u> |
|----|--------------------|---------------|--------------|---------------------|-----------------|
| 1. | Living/Dining Room | LVP           | Wood         | G.W.B. Painted      | G.W.B. Painted  |
| 2. | Bedroom            | LVP           | Wood         | G.W.B. Painted      | G.W.B. Painted  |
| 3. | Kitchen            | LVP           | Wood         | G.W.B. Painted      | G.W.B. Painted  |
| 4. | Bathroom           | Ceramic Tile  | Ceramic Tile | Tile/G.W.B. Painted | G.W.B. Painted  |
| 5. | Laundry/Mech Cl    | Ceramic Tile  | Ceramic Tile | G.W.B. Painted      | G.W.B. Painted  |
| 6. | Storage/Mech Cl    | Concrete      | Mas./G.W.B.  | Mas./ G.W.B.        | G.W.B. Painted  |
| 7. | Accessory Space    | LVP           | Wood         | G.W.B. Painted      | G.W.B. Painted  |
| 8. | Storage Units      | Concrete      | Mas./G.W.B.  | Mas./ G.W.B.        | G.W.B. Painted  |

Note:

G.W.B : Denotes Gypsum Wallboard

Mas. : Denotes Masonry

LVP : Denotes Luxury Vinyl Plank

(2) **BATHROOM FIXTURE SCHEDULE:**

- A. Water Closets: shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.  
Water closets shall be model number CST244 as manufactured by Toto.
- B. Countertop lavatory: shall be of vitreous china with faucet; set in a plastic laminate finished, particle board vanity countertop.  
Lavatories shall be model number 567LFNPU as manufactured by Delta, with Delta ARA series faucet and trim.
- C. Bathtubs: shall be of enameled exterior, with flow outlet, and shower head and trim. Bathtubs shall be Americast model number 2391202 as manufactured by American Standard.
- D. Shower stall: shall be of tile, with shower head, hand shower, slide bar, shower arm, hose, and valve trim. The shower stall equipment shall be model number T14467 as manufactured by Delta.

The Sponsor reserves the right to provide equipment which is equal to or better than noted above.

(3) **KITCHEN EQUIPMENT SCHEDULE:**

The kitchen areas will generally be provided with the following new fixtures, appliances and equipment:

- 1. Formica or wood laminate, wall and base cabinets and granite or quartz countertops.
- 2. One stainless steel sink, model number 400 as manufactured by Crane, with faucets by delta.
- 3. One, four burner electric range, model number GCFE3060BF as manufactured by Frigidaire.
- 4. One refrigerator, model number FRTD2021AW as manufactured by Frigidaire.
- 5. Dishwasher by Frigidaire, model # FFID2426TS.
- 6. Under-Cabinet Range Hood by Broan-NuTone, model # F40000 30 in.

**Note:**

Additional kitchen appliances and fixtures, including additional electric ranges, will be the responsibility of the unit owners.

The Sponsor reserves the right to provide equipment which is equal to or better than noted above.

(x) **FINISH SCHEDULE (SPACES OTHER THAN UNITS)**

The following interior finishes will be installed at the locations as indicated.

|    | <u>Location</u> | <u>Floors</u> | <u>Base</u> | <u>Walls</u> | <u>Ceilings</u> |
|----|-----------------|---------------|-------------|--------------|-----------------|
| 1. | Sprinkler Room  | Concrete      | Mas./G.W.B. | Mas./ G.W.B. | G.W.B. Painted  |
| 3. | Meter Rooms     | Concrete      | Mas./G.W.B. | Mas./G.W.B.  | G.W.B. Painted  |

Note:

G.W.B. : Denotes Gypsum Wallboard

Mas. : Denotes Masonry

(y) **SAFETY AND WARNING DEVICES**

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit and within each bedroom of the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detectors come equipped with a battery backup. Each Unit owner shall be responsible for keeping and maintain the detectors in good repair and to replace any detectors which have been removed, found missing or rendered inoperable. Sponsor makes no representation whether Unit Owners will comply with the foregoing obligations.

The smoke and carbon monoxide detectors and sprinklers are the fire and smoke safety devices required by the N.Y. City Building Code. All required safety devices shall be installed and are subject to inspection by the N.Y. City Department of Buildings.

There is no fire alarm system or central station within the building.

(z) **ADDITIONAL INFORMATION REQUIRED**

All drywall materials used in this condominium do not contain "Sulfide". It is to be stated as a Particular Concern that such drywall materials are known to emit a sulfurous odor when heated, are corrosive to copper plumbing and electrical wiring; and are conducive to Sick Building Syndrome.

The following documents shall be transmitted to the condo management upon transfer of control, as applicable:

- Final as-built drawings
- Operation & maintenance manuals for mechanical equipment
- Electronic system manual
- Equipment warranties
- Manufacturer's roof warranty
- Major equipment start-up sheets & control system as-built
- Original test & balance report for HVAC system

**ADDITIONAL INFORMATION:**

To the best of my knowledge, belief and professional judgment these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State, using Chapter E5.

§ 20.7(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, fire-stopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

§ 20.7 (bb) Further development.

No further development is proposed.

If the sponsor intends to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building, it must make disclosure about the new units to conform to 13 NYCRR Section 20.7.

§ 20.7(cc) Asbestos.

There is no Asbestos Containing Material (ACM) present in insulating or fireproofing material anywhere in the building. There is no Asbestos Containing Material (ACM) present, as it is new construction.

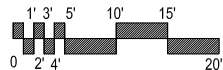
§ 20.7(dd) Lead-based paint.

Records, reports, violations, and any other information known or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards shall be included. There is no lead based paint present, as it is new construction.

|         |              |            |           |               |              |             |             |
|---------|--------------|------------|-----------|---------------|--------------|-------------|-------------|
|         |              |            |           |               |              |             |             |
| DRYWELL | UTILITY POLE | AREA DRAIN | GAS VALVE | SEWER MANHOLE | FIRE HYDRANT | STREET SIGN | NORTH ARROW |

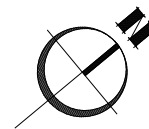


8322 24TH AVENUE, BROOKLYN, N.Y. 11214

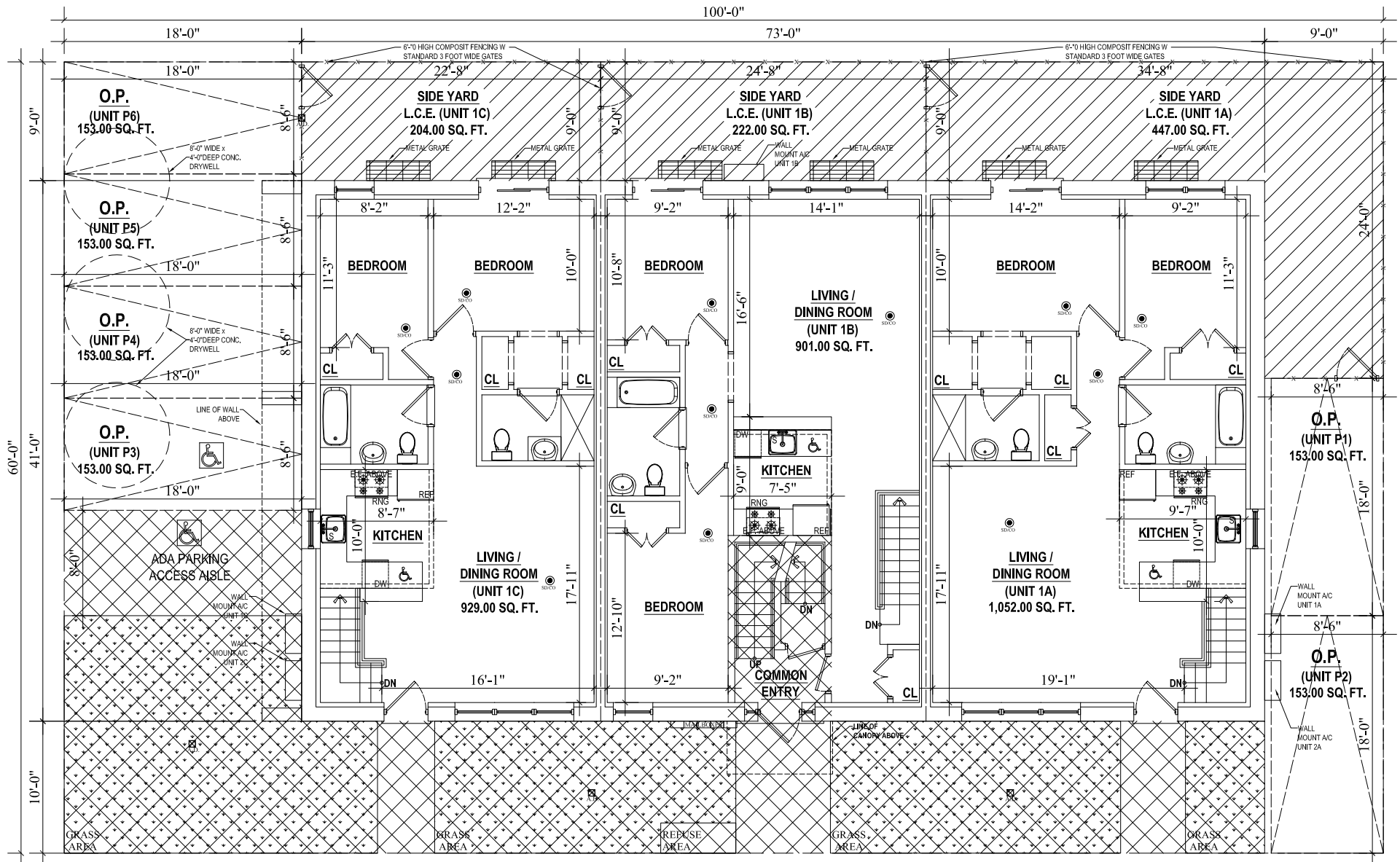


 - LIMITED COMMON AREAS  
 - COMMON AREAS

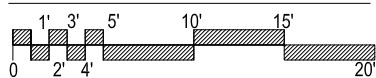
DATE : 05-16-25  
DRAWN BY : DESIGN STUDIO ASSOCIATES







## FIRST FLOOR PLAN



### THE 8322 24TH AVENUE CONDOMINIUM

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

#### NOTE :

ACCESSORY STORAGE SPACE SHALL NOT BE USED AS LIVING ROOMS OR FOR SLEEPING PURPOSE OR RENTED INDEPENDENTLY OF THE DWELLING UNIT ABOVE

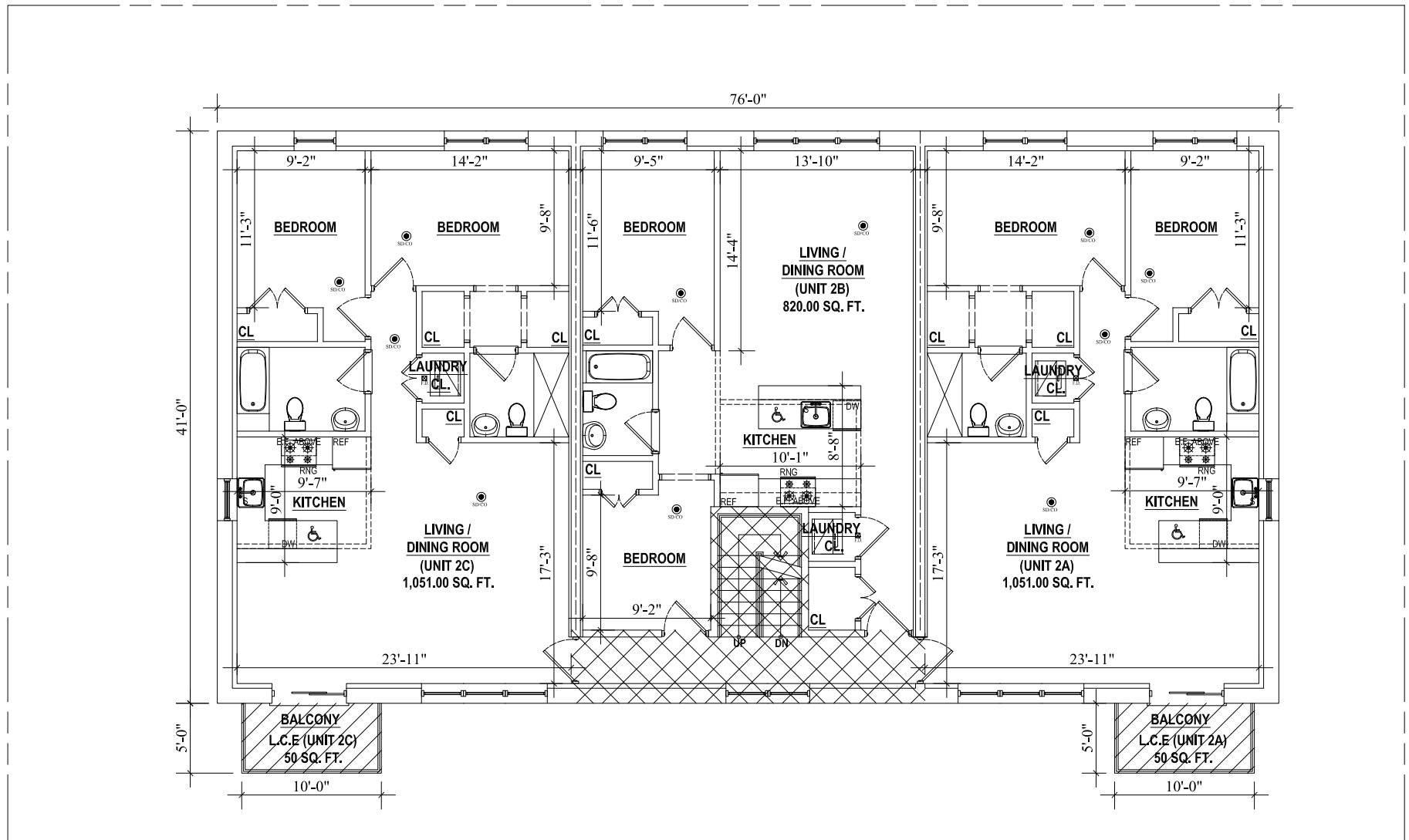


- COMMON AREAS
- LIMITED COMMON AREAS
- O.P. DENOTES OPEN PARKING SPACE
- GRASS AREAS

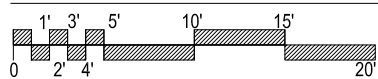
NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

#### APPLIANCE & EQUIPMENT LEGEND

- S - INDICATES KITCHEN SINK
- REF - INDICATES REFRIGERATOR
- DW - INDICATES DISHWASHER
- RNG. - INDICATES GAS RANGE
- EH - INDICATES COOK TOP EXHAUST HOOD
- A.D. - INDICATES AREA DRAIN
- INDICATES SMOKE/CARBON DETECTOR
- INDICATES 8'-0" WIDE x 4'-0" DEEP CONC. DRYWELL



## SECOND FLOOR PLAN



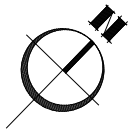
### THE 8322 24TH AVENUE CONDOMINIUM

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.



- COMMON AREAS
- LIMITED COMMON AREAS

#### APPLIANCE & EQUIPMENT LEGEND

W/D - INDICATES STACKABLE TYPE WASHER & DRYERS

S - INDICATES KITCHEN SINK

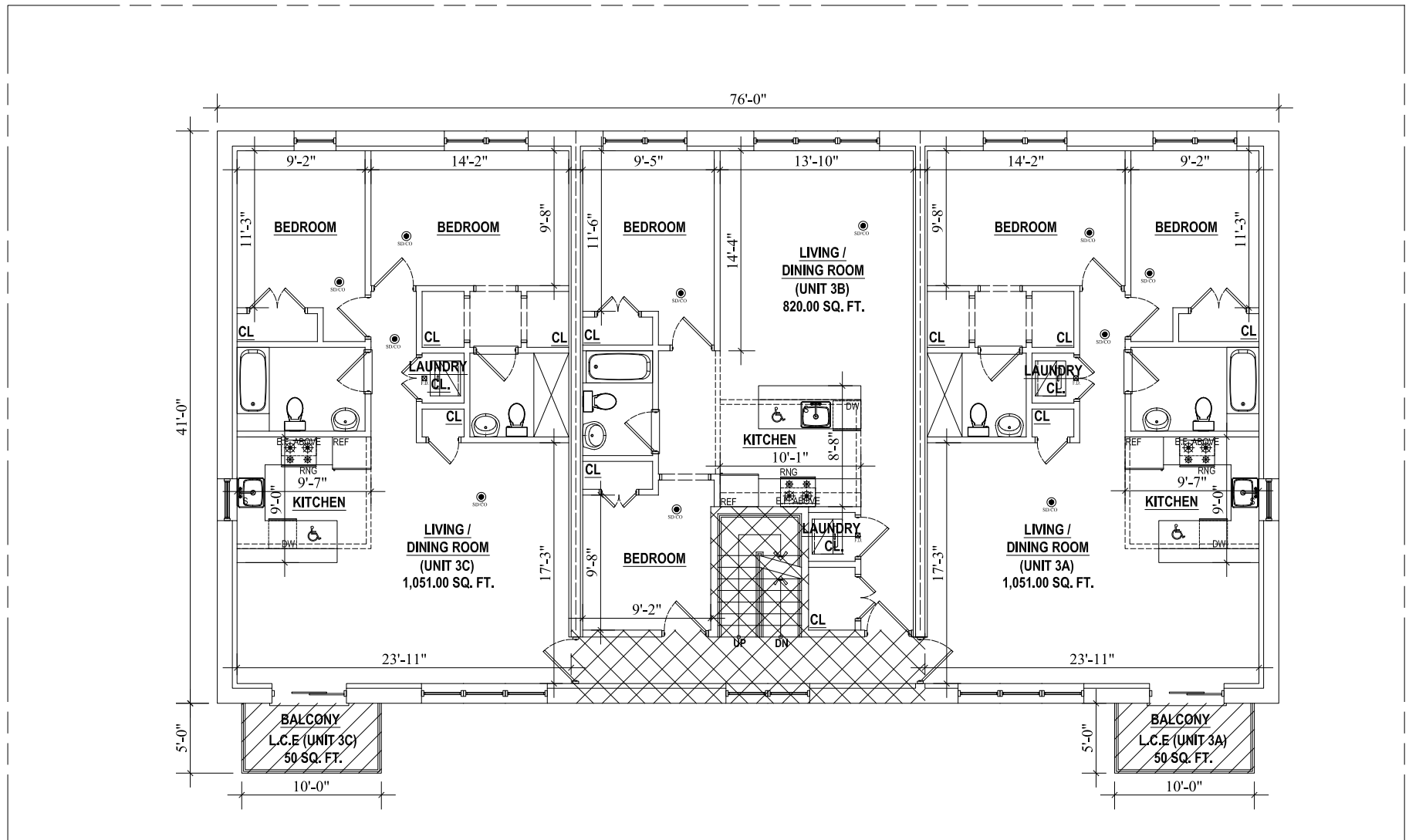
REF - INDICATES REFRIGERATOR

DW - INDICATES DISHWASHER

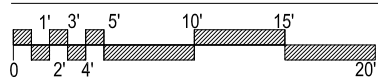
RNG - INDICATES GAS RANGE

EH - INDICATES COOK TOP EXHAUST HOOD

- INDICATES SMOKE/CARBON DETECTOR



## THIRD FLOOR PLAN



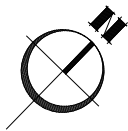
### THE 8322 24TH AVENUE CONDOMINIUM

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.



-  - COMMON AREAS
-  - LIMITED COMMON AREAS

#### APPLIANCE & EQUIPMENT LEGEND

W/D - INDICATES STACKABLE TYPE WASHER & DRYERS

S - INDICATES KITCHEN SINK

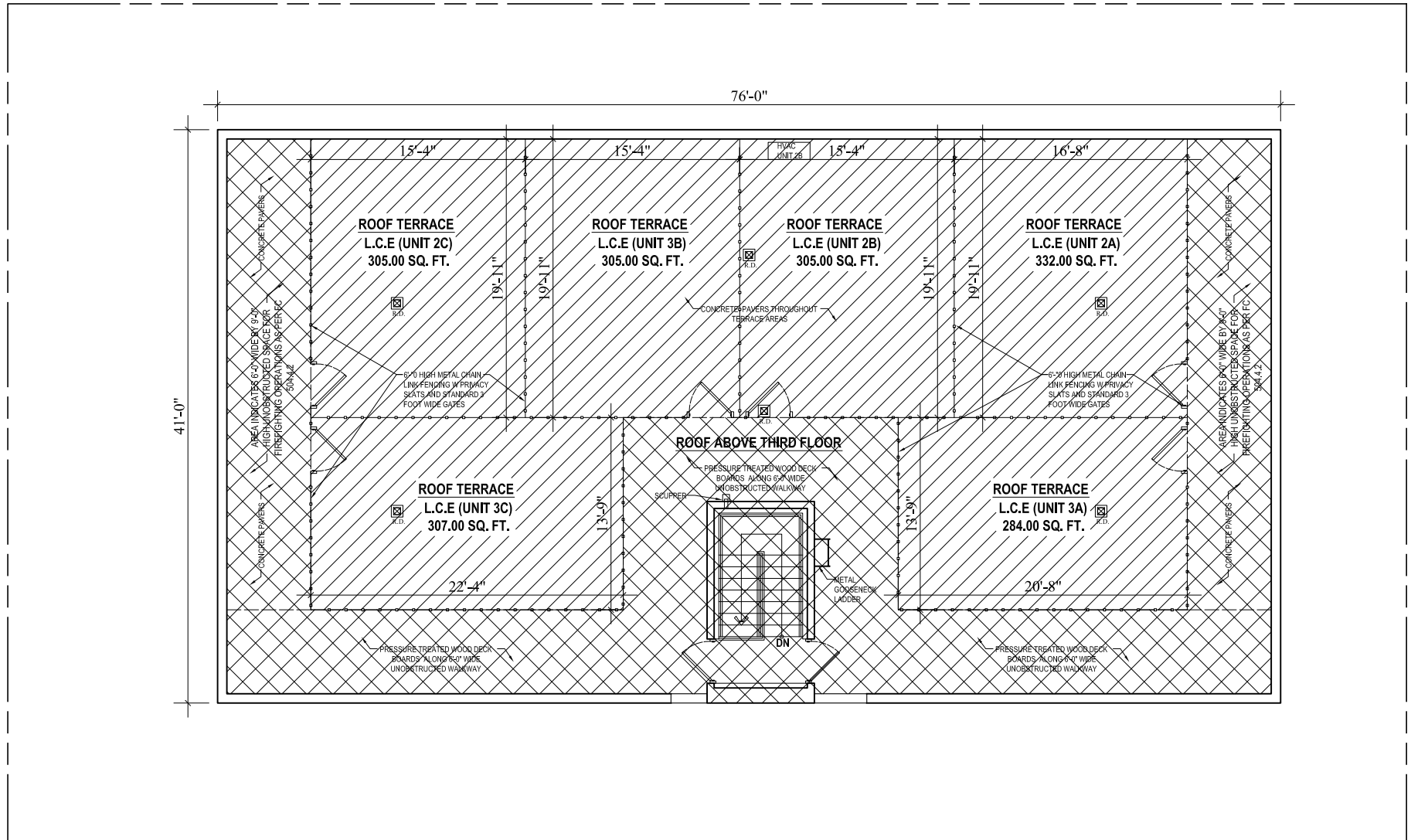
REF - INDICATES REFRIGERATOR

DW - INDICATES DISHWASHER

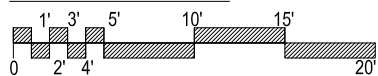
RNG - INDICATES GAS RANGE

EH - INDICATES COOK TOP EXHAUST HOOD

 - INDICATES SMOKE/CARBON DETECTOR



## ROOF PLAN



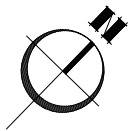
### THE 8322 24TH AVENUE CONDOMINIUM

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 07-14-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.



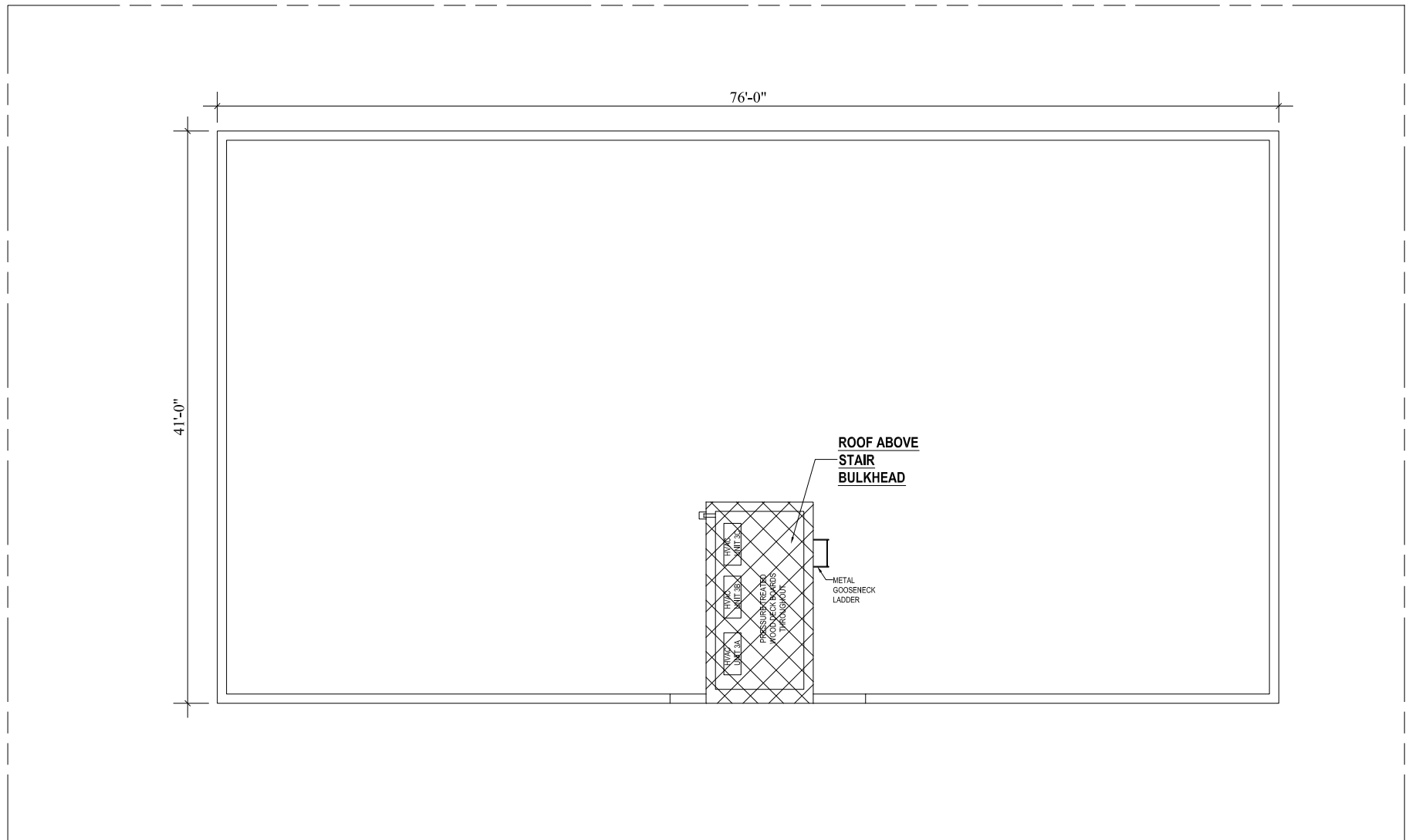
- COMMON AREAS
- LIMITED COMMON AREAS

#### APPLIANCE & EQUIPMENT LEGEND

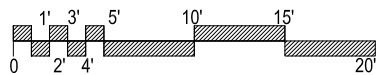
R.D. - INDICATES ROOF DRAIN

NOTE : ROOF TERRACE ACCESSORY TO DWELLING UNITS. MAX NUMBER OF PERSONS 30

NOTE : AREA COVERED WITH PRESSURE TREATED WOOD DECK BOARDS IS LESS THAN 20% OF THE CONTIGUOUS ROOF AREA. AS PER 2022 BC 1510.9. COMBUSTIBLE DECKING MATERIAL MAY NOT COVER MORE THAN 20% OF THE CONTIGUOUS ROOF AREA.



## BULKHEAD ROOF PLAN



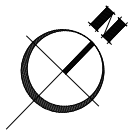
**THE 8322 24TH AVENUE CONDOMINIUM**

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.



-  - COMMON AREAS
-  - LIMITED COMMON AREAS

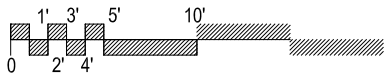
### APPLIANCE & EQUIPMENT LEGEND

R.D. - INDICATES ROOF DRAIN

NOTE : ROOF TERRACE ACCESSORY TO DWELLING UNITS. MAX NUMBER OF PERSONS 30



## FRONT ELEVATION



### THE 8322 24TH AVENUE CONDOMINIUM

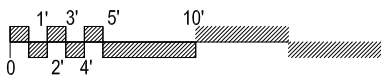
8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.



## REAR ELEVATION

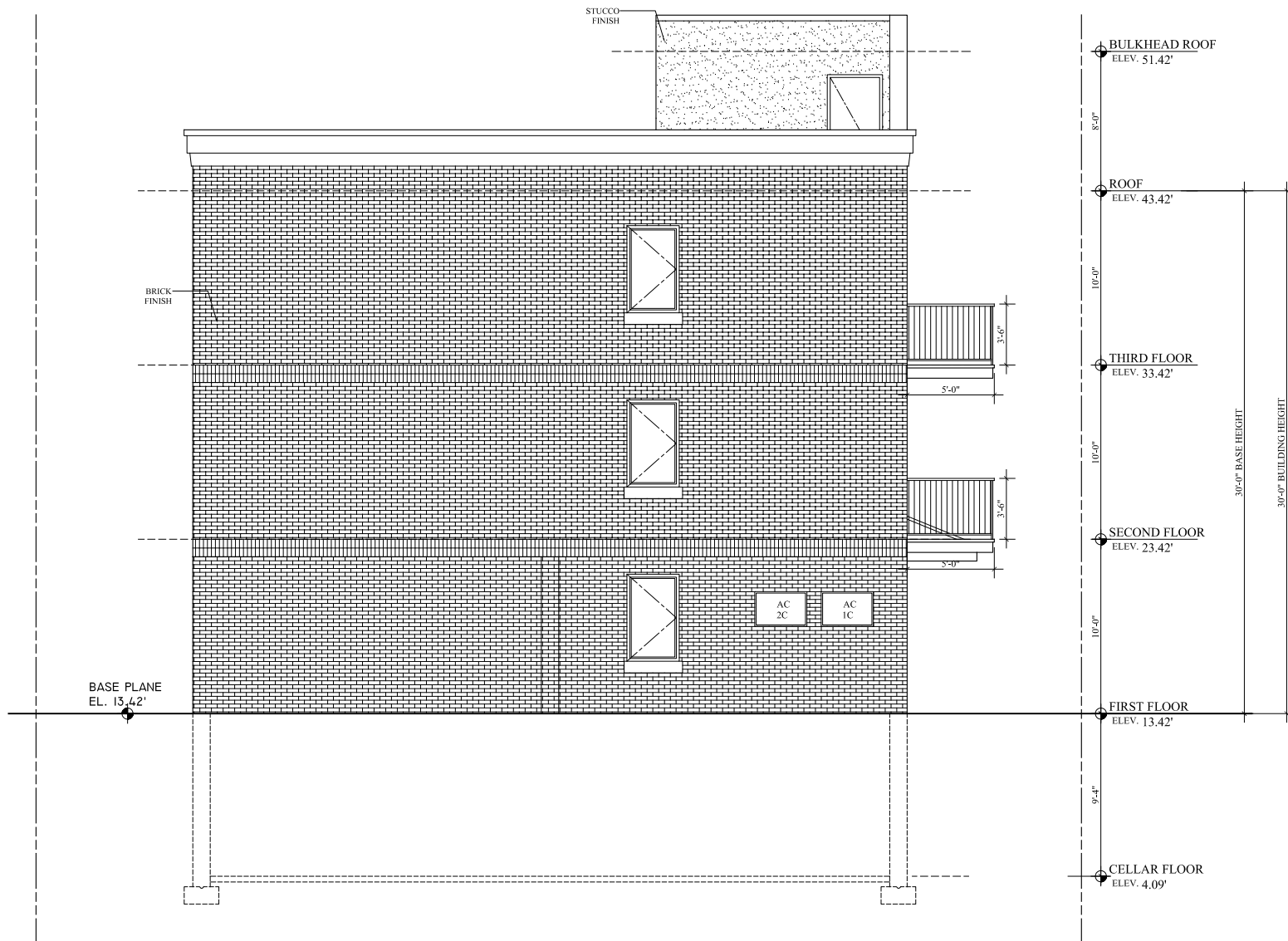


### THE 8322 24TH AVENUE CONDOMINIUM

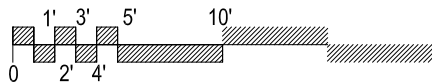
8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.



## SIDE ELEVATION

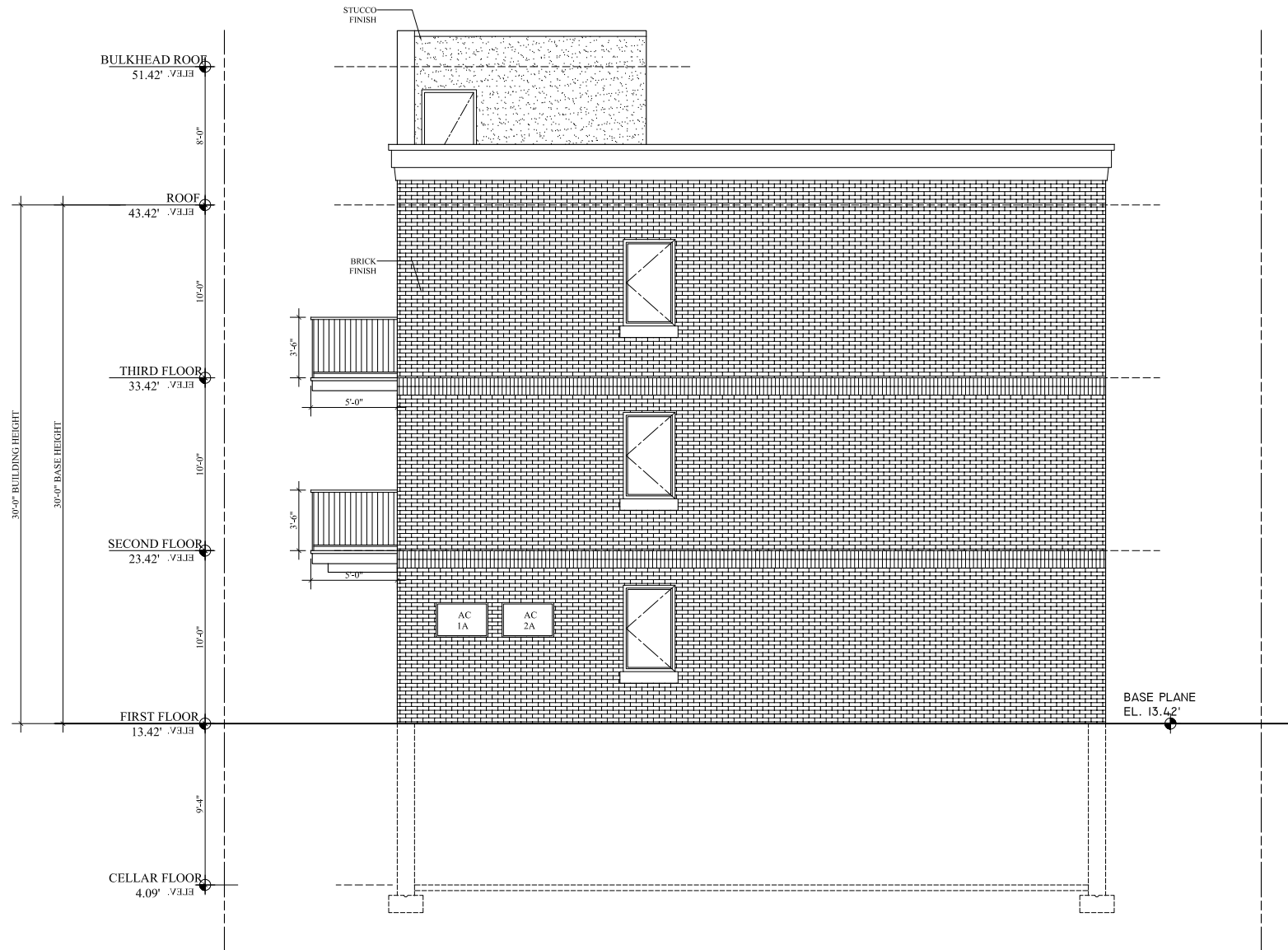


### THE 8322 24TH AVENUE CONDOMINIUM

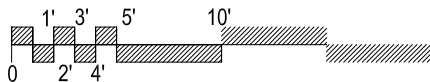
8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.



## SIDE ELEVATION



### THE 8322 24TH AVENUE CONDOMINIUM

8322 24TH AVENUE, BROOKLYN, N.Y.

DATE CREATED : 05-16-25

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

**General Business Law—Civil Practice Law and Rules**  
**New Homes—Sales—Warranties**

We ACT to amend the general business law and civil practice law and rules, in relation to warranties on sales of new homes.

Approved September 6, 1988, effective as provided in S 3.

The people of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. The general business law is amended by adding a new article S 1 thirty-six B to read as follows:

ARTICLE 36-B

§ 777. Definitions.

777-a. Housing Merchant Implied Warranty

777-b. Exclusion or modification of warranties.

§ 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 title 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 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.

§ 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.

New York Real Property Law, Article 9-B.

**§339-kk. Rents.**

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to

the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

## **DECLARATION**

**Establishing a Plan for Condominium Ownership of Premises located at 8322 24th Avenue (a/k/a 2379 84th Street), Brooklyn, New York, County of Kings, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.**

**NAME: THE PANDA CONDOMINIUM**

**DECLARANT: 8324 24TH AVE LLC  
9732 3rd Avenue  
Brooklyn, New York 11209**

**DATE OF DECLARATION:**

**The land affected by the within instrument lies in Block 6853 on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York.**

|               |                  |
|---------------|------------------|
| <b>F/k/a:</b> | <b>Lot(s) 44</b> |
| <b>N/k/a:</b> | <b>Lot(s)</b>    |

**Record and Return:**

**LAW OFFICE OF CLAUDIA V. MURDOCH, P.C.  
Attorney for Declarant  
117 Seventh Avenue  
Brooklyn, New York 11215**

**DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP of Premises to be known as the PANDA CONDOMINIUM, located at 8322 24th Avenue (a/k/a 2379 84th Street), Brooklyn, New York, Borough of Brooklyn, County of Kings, City and State of New York, pursuant to Article 9B of the Real Property Law of the State of New York.**

8324 24TH AVE LLC, located at 9732 3rd Avenue, Brooklyn, New York 11209, hereinafter referred to collectively as "the Declarant," does hereby declare:

1. SUBMISSION OF PROPERTY: Declarant hereby submits the land hereinafter described, together with the Building(s) and improvements thereon erected ("the Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York.
2. AREA AND LOCATION OF LAND: The land ("Land") consists of all that certain tract, plot, piece, and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Declarant in fee simple absolute.
3. NAME OF CONDOMINIUM: The Condominium shall be known as the PANDA CONDOMINIUM.
4. DESCRIPTION OF THE BUILDING: The condominium consists of a single building composed of a cellar and three stories and containing, in aggregate, nine (9) residential units, and six (6) parking units. The legal occupancy will match the proposed occupancy hereunder. The building complies with Class IB construction requirements pursuant to the 2014 New York City Building Code.
5. THE UNITS: SCHEDULE B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access (if any) and the percentage of interest in the Common Elements. The location of each Unit and any Limited Common Elements appurtenant thereto is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

6. FLOOR PLANS: As shown on the Floor Plans of the Buildings (the "Floor Plans"), certified by Harry Simino, R.A., and intended to be filed in the Kings County Office of the register of the City of New York simultaneously with the recording of this Declaration, the dimensions indicated are approximate, and are incorporated by reference as if fully set forth herein. The square footage of each Unit is based upon the approximate distance horizontally approximately to the outside face of the masonry work at the exterior walls of the Building and approximately to the non-Unit side of the walls and partitions (dividing the units from corridors, stairs, and mechanical spaces). Dimensions shall be to the centerline when a partition divides two Units.

7. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, to the extent applicable, the following:

a) General Common Elements:

(i) The land on which the Buildings are physically erected, including any open areas appurtenant to the building(s);

(ii) All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and installations beyond the exterior face of the Buildings; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the exposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roofs (excluding terraces), fire escapes (if any), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; storage and utility areas located beyond the unexposed face of the dry walls and the entrances to and exits from the Buildings;

(iii) All installations outside the Units for services such as gas, power, light, telephone and water;

(iv) All sewer pipes and drainage pipes outside units, including all drains and dry well on the land and those located outside the building footprint;

(v) The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans. To the extent the "as-built" condition

of the building differs from such Floor Plans, both said Floor Plans and this Declaration shall be deemed amended to conform to said as-built condition;

(vi) All other apparatus and installations existing in the Buildings for common use or necessary or convenient to the existence, maintenance or safety of the Buildings.

(vii) The foregoing are included only to the extent they are present in this building. If any of the foregoing items are hereinafter designated as limited common elements, such designation shall take priority over the listing set forth herein.

b) Limited Common Elements:

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by that unit owner. Each Unit Owner, his guests, invitees, lessees and residents of his Unit shall have the exclusive right to use and possession of the limited common elements of the building indicated in the attached Exhibit B, subject to the following:

Each Unit Owner shall be solely and only responsible for repair and maintenance of the Limited Common Element appurtenant to his/her Unit including, but not limited to, painting, cleaning, patching, and surface repair. In the event a Unit Owner fails to properly maintain his/her Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

8. DETERMINATION OF PERCENTAGES OF COMMON INTEREST: The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit, as per Section 339-(i)(1)(iv) of the New York State Real Property Law.

9. USE OF UNITS:

A. Residential: Any residential Unit may be used for private residential use, or for any home occupation use permitted under applicable zoning laws and ordinances, building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Declarant may, without the permission of the Board of Managers, retain ownership of one or more Units for use as rental units, models, sales and/or offices, in connection with the sale or rental of the Units.

B. Parking: Parking Units may only be used for the parking of private passenger motor vehicles. Parking Units are for the exclusive use of the residents of the building except that the Sponsor may rent any off-street parking to non-occupants of the building for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to residents within 30 days after a written request has been made to the Sponsor by such resident(s). Parking Units P1 and P2 are tandem parking units. The two motor vehicles parked in these spaces will be nose-to-end in tandem. Unit P1, the first motor vehicle, does not have independent access to its space. The motor vehicle parked at P2 must move in order for P1 to have access.

C. ADA Accessible Parking Unit: In the event that an ADA accessible parking unit is owned by a person other than a person who themselves or a member of their family has a vehicle with disabled parking license plates, such ADA accessible parking unit may be rented to non-disabled persons on a month-to-month basis only. In the event the owner of a residential unit in the subject premises who qualifies as a disabled person notifies the unit owner that they desire to rent said unit, the existing occupancy of the ADA accessible parking unit (including and existing month to month tenancy) must be terminated at the conclusion of the first full month following the month in which notice is received and the ADA accessible parking unit must then be rented to the disabled person delivering such notice on the same terms and conditions as the space was rented to the non-disabled person. In the event the present or future owner of a residential unit, or a member of his or her immediate family occupying the residential unit, becomes disabled and acquires disabled parking license plates for his or her vehicle, and said residential unit owner is the owner of a parking unit, said handicapped residential unit owner has the right to demand that the owner of an ADA accessible parking space "trade spaces" by delivering to the now-disabled residential unit owner the deed for the ADA accessible parking space in question and receiving from said disabled owner the deed for the parking space they currently own. In the event the now-disabled unit owner does not own a parking space, said disabled unit owner has the right to compel the owner of an ADA accessible space to sell them their parking space at fair market value. If the parties cannot agree within thirty (30) days on the fair market value of the ADA accessible parking unit, then the

matter shall be referred to the American Arbitration Association for binding arbitration pursuant to Article 9 of the Bylaws set forth in Part II of the Offering Plan. All costs and expenses entailed in the transfer of title to a parking space pursuant to either of the foregoing clauses shall be borne by the party requesting the transfer.

10. ENCROACHMENTS: If any portion of the Common Elements encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachments and for the maintenance of the same so long as the Buildings shall stand.

11. EASEMENTS:

a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right to access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

b) The Declarant and its designees, their successors, assigns, invitees, licensee, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iv) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

c) The Declarant, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair

and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in the access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Declarant's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements, and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Declarant or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right to access of any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right to access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

d) The user of any easement granted by Sub-paragraphs "b" and "c" of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. PERSON TO RECEIVE SERVICE: For the period during which Declarant is in control of the Board of Managers, 8324 24th Ave LLC, 9732 3rd Avenue, Brooklyn, New York, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Declarant relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 8322 24th Avenue, Brooklyn, New York. In addition to the foregoing, the Secretary of State of the state of New York is hereby designated as agent of the Board of Managers to accept the service of process in any proceeding.

13. UNITS SUBJECT TO DECLARATION, BY-LAWS, AND RULES AND REGULATIONS: All present and future Owners, tenants, subtenants and occupants of

Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and the Rules and Regulations (if any), as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering unto occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws, and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

14. AMENDMENT TO DECLARATION: This Declaration may be amended, modified, added to or deleted from by vote of Unit Owners representing at least 66-2/3% of all Unit Owners in number and in common interest, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners; provided however,

a) No amendment, modification, addition, or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

b) No amendment which shall change the percentage of Common Interest allocated to any Unit or Units may be made without the written consent of such Owner;

c) No amendment, modification, addition, or deletion of or to this Declaration will be effective in any respect against the Declarant, its designee, or any Unsold Unit until the Declarant or such designee shall consent thereto in writing;

d) No amendment, modification, addition, or deletion of or to this Declaration which would in any way alter, restrict or change the use to which a Commercial Unit may be put shall be effective against any such Commercial Unit without the written consent of the Owner of such Commercial Unit.

The Declarant hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances that are incomplete upon the original filing of the Declaration provided that the verified

statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p, will be filed with such amendment.

No such amendment shall be effective until recorded in the Kings County Office of the Register of the City of New York.

15. CHANGES IN UNSOLD UNITS: For any Unit owned by the Declarant or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Declarant or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit Mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change in and size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, appurtenant interests in the Common Elements; provided, however, that the Declarant or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consent will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Declarant or its designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any disclosed in an amendment to the Offering Plan for the Property. The provisions of this Paragraph 15 may not be added to, amended or deleted without the prior written consent of the Declarant or its designee(s). In the event of any such change in an Unsold Units, Declarant shall amend the Declaration and Floor Plans to reflect same.

16. INTENTIONALLY OMITTED.

17. INVALIDITY:

a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included;

(b) Subject to the terms of Paragraph "a" above, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, this Declaration and By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

18. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation, or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in Common Interest of the Units. The Declarant or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Declarant may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided however, that no

payment shall be made to a Unit Owner until all lienors have first been paid off out of his share of such proceeds.

19. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws. Common expenses shall be charged to unit owners according to their respective common interests, except that such expenses may be specially allocated and apportioned by the Board of Managers in a manner different from common profits and expenses for one (1) or more non-residential units. Additionally, common expenses may be specially allocated and apportioned to residential or non-residential units, or a combination thereof, based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners.

20. DEFINITION OF "DECLARANT-DESIGNEE": The term "Declarant- Designee" as used in this Declaration shall mean any person or entity designated by the Declarant to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Declarant-Designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Declarant-Designee."

21. WAIVER: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

22. CAPTIONS: The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

23. GENDER: The use of the masculine gender in this Declaration shall be deemed to refer to the other genders and the singular to the plural, and vice versa, whenever the context so requires.

24. MORTGAGEES RIGHTS:

a) Notwithstanding anything to the contrary set forth in any other portion of this Declaration, amendments of a material adverse nature to the interest of the mortgagees must be agreed to by mortgagees holding mortgages on units entitled to cast at least

51.00% of the votes of the Condominium allocated to all units which are subject to mortgages;

b) Any action to terminate the legal status of the project after substantial destruction or condemnation, or for any other reason, must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes allocated to units which are encumbered by mortgages at the time of such termination. In the event notice of either of the foregoing is delivered to any mortgagee; and in the further event such mortgagee fails to submit a written response to such written notice within sixty (60) days after it receives such notice (and further provided that such notice was delivered by registered or certified mail with a return receipt requested); then in such case such mortgagee will be deemed to have consented to the notice to action.

**IN WITNESS WHEREOF**, the parties have caused this Declaration to be executed by its duly authorized representatives this  
day of \_\_\_\_\_, 20 .

8324 24TH AVE LLC

BY:

-----  
MICHAEL CALABRESE, Sole Principal

STATE OF NEW YORK)  
COUNTY OF KINGS ) SS.:

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

\_\_\_\_\_  
NOTARY PUBLIC

**BY-LAWS**  
**of**  
**THE PANDA CONDOMINIUM**

**ARTICLE I**

**Purpose of Business**

**Section 1. Unit Ownership:** The property located in the Borough of Brooklyn, County of Kings, City and State of New York at 8322 24th Avenue (a/k/a 2379 84th Street), Brooklyn, New York (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as THE PANDA CONDOMINIUM.

**Section 2. Applicability of By-Laws:** The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Buildings, and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units."

**Section 3. Application:** All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Managers shall be located at the Property.

## ARTICLE II

### Meetings of Unit Owners

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his or her address as it appears in the records of the Condominium, unless he or she shall have filed with the Secretary of the Condominium a written request that notices intended for the him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing to do so by Unit Owners owning at least twenty-five per cent (25%) of the votes of the Condominium. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium be present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty days after the closing of the First Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the votes of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. Only those Unit Owners who, if present at the adjourned meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to his/her Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the names of the proxy of such ballot if cast by a proxy.

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the name of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, un-incorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .01% of interest in the Common Elements attributable

to the Unit or Units owned by them on all matters put to the vote at all meetings of Unit Owners. If Units are owned by more than one person as joint tenants, tenants by the entirety, or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two thirds of Unit Owners shall mean those Unit Owners having greater than 66-2/3% of the total authorized vote of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. A vote of a majority of Unit Owners shall be sufficient for any action of any meeting, except where otherwise provided herein or required by statute.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

### **ARTICLE III**

#### **OFFICERS**

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint such other officers as in its judgment may be necessary. The President and Vice-President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers: The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 9. Liability of Officers: No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

## **ARTICLE IV**

### **Managers**

Section 1. Number: The number of Managers of the Corporation shall not be less than three (3) nor more than seven (7), as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, and hereinafter provided, the number of Managers shall be three (3). Should the Board of Managers determine the need for more than three (3) managers, then this provision of the By-Laws will be amended accordingly upon the consent of two-thirds (2/3) of the Unit Owners, both in number and in percentage of common interest, consistent with the procedure for amending the BY-LAWS in ARTICLE XI. The number of Managers shall not be decreased to a number less than the number of Managers then in office except at any Annual Meeting of Unit Owners. However, during the period the

Sponsor, its Successor Offeror(s) or Designees(s) continue to own 50% or more of the Condominium the number of Managers shall remain fixed at three (3).

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners. The Board shall further have the right to employ a manager or managing agent or both, and may delegate any or all of the powers conferred by this section to such managing agent. Persons employed in the operation of the property may be designated or removed by a majority vote of the Board of Managers, or without vote by the managing agent or manager, if such a person is employed by the Board.

Section 3. Nomination and Election: The Managers shall be elected for a term of one year at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. Their term of office shall be until their respective successors are elected and qualify.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held for that purpose promptly after the occurrence of any such vacancy even though no quorum is present. Each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of Unit Owners to serve the remaining term. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a Special Meeting of Unit Owners shall be called to elect a new Board of Managers. Any vacancy created by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Manager, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by

any Manager of the Condominium or upon the written request of any three Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of the Board at which all the Managers shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective. Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least 51% of the votes of the Condominium at a Unit Owners' meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Holders of "Unsold Units" can be removed only for cause by a vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges as more specifically set forth in Article VI. The Board of Manager shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditures made by the Condominium's officers or its agent under authority of, or with the approval of, the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Until the earlier of (i) the fifth anniversary of the First Closing or (ii) such time as the Holders of Unsold Units hold less than 50% of the outstanding votes of the Residential Units, the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least 51% of the votes of Residential

Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

- a) Increase the number or change the type of employees from that described in the FOOTNOTES TO SCHEDULE B of the Offering Plan;
- b) Provide for new or additional services from those indicated in the FOOTNOTES TO SCHEDULE B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;
- c) Establish any reserve other than the Reserve and/or Working Capital Funds set forth in the Offering Plan.

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

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Compensation: No Member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 11. Liability of the Board of Managers: The Members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within

the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit. Every agreement made by the Board of Managers, or the Managing Agent, or the Manager, on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit.

## **ARTICLE V**

### **NOTICES**

Section 1. Definitions: Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Managers or Unit Owner or mortgagee in such address as appears on the books of the Condominium.

Sections 2. Service of Notice Waiver: Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

## ARTICLE VI

### OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges: The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses, and allocate and assess such Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests; except that such expenses may be specifically allocated and apportioned by the Board of Managers in a manner different from common interest to one (1) or more non-residential units; or in the case of either residential or non-residential units or any combination thereof, such expenses may be specially allocated and apportioned based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease of any Unit whose Owner has elected to sell or lease such Unit, or any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based, to all Unit Owners. Any dispute relating to the expenses to be borne by the Unit Owners shall be submitted to arbitration in accordance with these By-Laws.

Until such time as units are separately assessed for New York City real estate tax purposes, real estate taxes shall be deemed part of the common expenses of the building, and individual unit owners will be assessed their proportionate share thereof. After assessment, unit owners will be reimbursed for any overpayment of taxes or assessed for any underpayment.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: casualty insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers. In the event this building includes a commercial unit, the Board of Managers shall annually obtain from the insurance broker a letter stating the extent to which the cost of insurance for the condominium, on account of the usage of the commercial unit, exceeds the cost which would otherwise have been obtained if no commercial unit were present; and this cost shall be borne by the commercial unit owner. A copy of the letter shall be delivered to the commercial unit owner within ten (10) days after receipt thereof, and the commercial unit owner shall be obligated to pay the amount assessed therein within fifteen (15) days after receipt thereof.

Section 3. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him.

Section 4. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date thereof.

Section 5. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owners shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners. During the time that the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which the Sponsor is more than 30 days in arrears of common charges.

Section 6. Foreclosure of Liens for Unpaid Common Charges: In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey, or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the sale of any Unit pursuant to this Section shall be used first to pay the unpaid Common Charges and/or assessments, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 7. Statement of Common Charges and Assessment: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws; (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 9. Maintenance and Repairs:

a) All maintenance, replacement, or repair to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be the responsibility of the unit owner, and the expense thereof shall be the sole responsibility of the Unit Owner, excepting as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, shall be made by the Board of Managers as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed as per the Declaration.

c) Each unit owner shall be solely and only responsible for repair or maintenance of any limited common element appurtenant to his/her unit, including but not limited to painting, cleaning, patching, and surface repair, and, in the case of balconies, if any, structural maintenance.

d) In the event a unit owner fails properly to maintain his unit or limited common element, the Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas, and the cost thereof shall be assessed against the owner of the condominium unit in question, or the owner of the unit to which such limited common elements are appurtenant.

e) To the extent that damage to a limited common element or unit is caused by a building condition or by other condition for which the condominium carries insurance, the cost of repair of such damage shall be borne by the condominium.

Section 10. Restrictions on Use of Units: In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following:

a) The residential Units shall be used for private residences only, except that a Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Notwithstanding the foregoing, the Sponsor or Sponsor-Designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations.

b) Parking spaces will be assigned their own tax lots and will be offered for sale. Parking Units may only be used for the parking of private passenger motor vehicles. Parking Units are for the exclusive use of the residents of the building except that the Sponsor may rent any off-street parking to non-occupants of the building for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to residents within 30 days after a written request has been made to the Sponsor by such resident(s). Parking Units P1 and P2 are tandem parking units. The two motor vehicles parked in these spaces will be nose-to-end in tandem. Unit P1, the first

motor vehicle, does not have independent access to its space. The motor vehicle parked at P2 must move in order for P1 to have access.

c) Parking space P3 has been designated as an ADA accessible parking space. The purchase of Parking Space P3 and any subsequent sales or transfers of it are subject to the following covenants and restrictions in the deed: In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and acquires disabled parking license plates for his or her vehicle, and said unit owner is the owner of a parking space, said unit owner has the right to demand that the owner of Parking Space P3 trade P3 with said disabled owner. In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes disabled and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space P3 sell it at its then current, fair market value to said disabled owner. All costs and expenses entailed in the transfer of title to the parking space, including, without limitation, title abstracts, title insurance, transfer taxes, and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer. The owner of Parking Space P3 must comply with the aforementioned demand upon thirty (30) days written notice. If the parties cannot agree on the fair market value of Parking Space P3, then the parties agree to submit the matter to binding arbitration in accordance with Article IX of the By-Laws of the Condominium.

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

e) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

f) No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the

sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

g) No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto), may be separately rented.

Section 11. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or which affects the exterior of the Building's Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or improvement. An application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but

shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 11 that require the consent of the Board of Managers in connection with a structural addition, alteration, or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 11 shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Buildings may be made without the prior approval of the Board of Managers.

Section 12. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-Designee shall have the right to use of the Common Elements, without charge, for the purpose set forth in Section II of this Article VI.

Section 13. Right of Access: A Unit Owner shall grant a right of access to his Unit, to the Manager and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 13, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI. Each Unit Owner will be required to give a copy of his/her keys to his/her Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them in case of an emergency.

Section 14. Rules of Conduct: Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. A copy of such Rules and

Regulations shall be furnished by the Board of Managers to each Unit Owner prior to the

time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A.

Section 15. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and, the Board of Managers shall pay, as a Common Expense, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed.

Section 16. Smoking Policy: Pursuant to Local Law 147, the subject premises' smoking policy is consistent with the Smoke Free Air Act ("SFAA"), which is the current law governing smoking in class A multiple dwellings. This is a completely smoke-free building. Smoking and/or using electronic cigarettes is prohibited throughout the building, including indoor and outdoor common elements, limited common elements, and private apartments.

## **ARTICLE VII**

### **Mortgages**

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit, of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books: Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

Section 5. Any mortgagee shall be entitled to timely written notice of:

- a. Any condemnation of casualty loss that affects either a material portion of the project or the unit securing its mortgage.
- b. Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage.
- c. A lapse, cancellation, or material modification of any insurance policy maintained by the Homeowner's Association.
- d. Any proposed action that requires the consent of a specified percentage of mortgagees.

Section 6. Notwithstanding anything to the contrary set forth in any portion of these By-Laws, any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of such unit's unpaid regularly scheduled budgeted dues or common charges accrued before acquisition of title to the unit by the mortgagee, together with any fees or costs related to the collection of such unpaid dues.

Section 7. Notwithstanding anything to the contrary set forth elsewhere in these By-Laws, no amendment, modification, addition, or deletion that shall adversely affect the lien of any mortgage may be made without the consent of the mortgagee.

Section 8. When a mortgagee fails to submit a response to any written notification made pursuant to these By-Laws within sixty (60) days after such notice is delivered by certified or registered mail, return receipt requested, said mortgagee will be conclusively presumed to have consented to the action set forth in said notice.

## ARTICLE VIII

### Condemnation and Termination

Section 1. Condemnation: In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to \$50,000.00 or less, and to the Insurance Trustee if such award amounts to more than \$50,000.00. If seventy-five (75%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five (75%) percent or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 2 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by the casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his/her Unit are subject are paid off.

## ARTICLE IX

### Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party, by the Real Estate Board of New York.

Section 2. Variation by Agreement: The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost and Expenses: (a) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by Condominium board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

## **ARTICLE X**

### **Conflicts**

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

## **ARTICLE XI**

### **Amendments to the By-Laws**

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of two-thirds (as that number is defined in these By-Laws) in number and in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are one or more Unsold Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be altered, amended, repealed or added to without the consent of the Holder(s) of Unsold Residential Units and the Sponsor.

## **ARTICLE XII**

### **Miscellaneous**

Section 1. Invalidity: The invalidity of any part of the By-Laws shall not impair or affect in any manner the valid enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only by matter of convenience and/or reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision therein.

Section 3. Gender: The use of the one gender in the By-Laws shall be deemed to include other genders and the use of singular shall be deemed to include the plural, and vice versa, whenever the context requires.

Section 4. Waiver: No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, respective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with approval of the holders of two (2) or more Unit first mortgages, if applicable). In the event the Insurance Trustee shall resign, the new insurance Trustee shall also be a bank, trust company, or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of two (2) or more Unit first mortgages, if applicable). The Board of Managers shall pay fees and disbursements of any Insurance Trustee, and such fees or disbursements shall constitute a Common Expense of the Condominium.

Section 6. Report to Unit Owners: The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

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

- 2) Prior notice of the annual Unit Owners meeting at least 30 days prior to such meeting.

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

## **ARTICLE XIII**

### **Sponsor Control**

Section 1: Transfer of control of the Condominium Board of Managers shall pass to unit owners, other than the Sponsor, at the later of the following:

- Sixty (60) days after the date by which 75% of the units have been conveyed to unit purchasers;
- or
- Three (3) years after the first conveyance of a unit to a unit purchaser.

Notwithstanding the foregoing, Sponsor may vote for unit owners of its choice.

Section 2: Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in Schedule B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; or remedy any work order from an insurer; or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or required to avoid the suspension of any necessary service to the Building.

Section 3: So long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

Section 4: At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the purchasers at a meeting to be convened within 60 days after First Closing. If the Sponsor still owns 50% or more of the units in the building, the Sponsor-appointed managers may be re-elected at such time.

Section 5: So long as a majority of the Board of Managers consists of managers elected by the Sponsor or holders of unsold units, the board:

1. Shall not eliminate or reduce the number of employees, insurance coverages or any service to a level less than that provided in Schedule B unless a majority of board members elected by bona fide unit purchasers vote in favor thereof.
2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean, and, in a good state of repair and condition;
3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law, or order of an insurance carrier, or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

**CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPAL PURSUANT TO  
SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL  
BUSINESS LAW ARTICLE 23-A, AS AMENDED**

**RE:           The Panda Condominium  
              8322 24<sup>th</sup> Avenue (a/k/a 2379 84<sup>th</sup> Street)  
              Brooklyn, New York 11214**

We, 8324 24TH AVE LLC, and MICHAEL CALABRESE, being the Sponsor and principal of the Sponsor of the Offering Plan to convert the above captioned property to condominium ownership, jointly and severally certify as follows:

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20, and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us that amend or supplement the Offering Plan will:

1.     Set forth the detailed terms of the transaction and be complete, current, and accurate;
2.     Afford potential purchasers, investors, and participants an adequate basis on which to found their judgment;
3.     Not omit any material fact;
4.     Not contain any untrue statement of a material fact;
5.     Not contain any fraud, deception, concealment, suppression, false pretense, or fictitious or pretended purchase or sale;
6.     Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

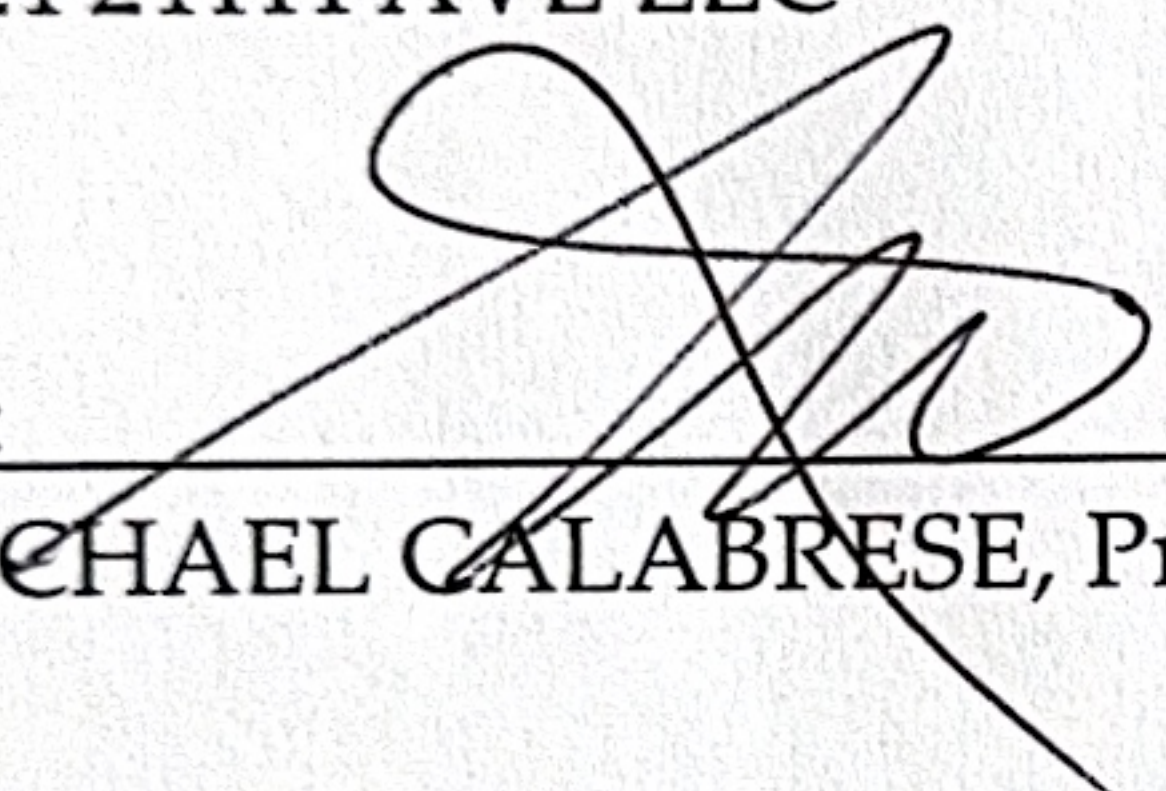
7. Not contain any representation or statement which is false where we:

- a) knew the truth;
- b) with reasonable effort could have known the truth;
- c) made no reasonable effort to ascertain the truth; or
- d) did not have knowledge concerning the representation or statement made.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the Civil and Criminal penalties of the General Business Law and the Penal Law.

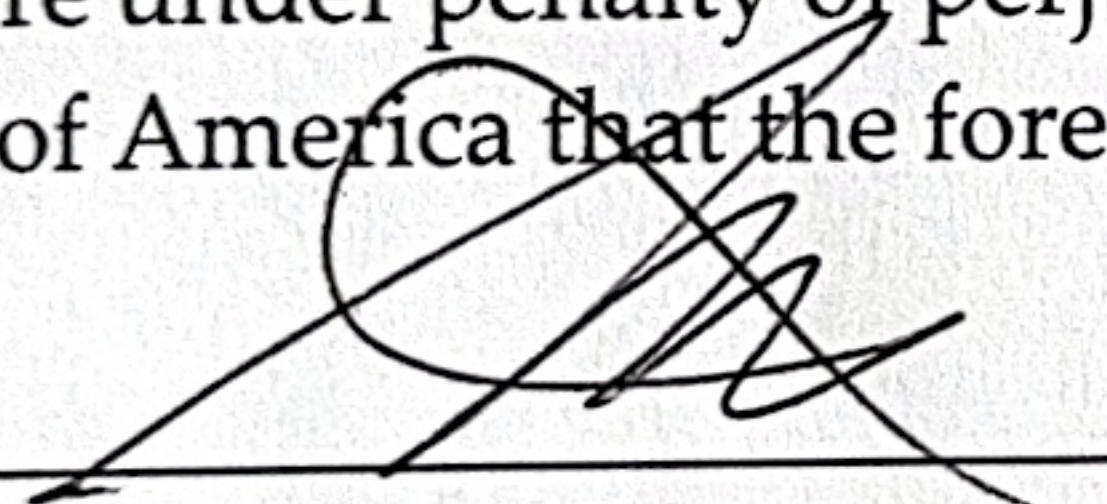
I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on February 17<sup>th</sup>, 2025.

8324 24TH AVE LLC

By: 

MICHAEL CALABRESE, Principal

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on February 17<sup>th</sup>, 2025.

  
MICHAEL CALABRESE

**OO-2. CERTIFICATION BY ARCHITECT OR ENGINEER PURSUANT TO 13 NYCRR  
20.4(C) (1)**

DESIGN STUDIO ASSOCIATES  
Paul Lombardi, R.A.  
527 Court Street Suites C3  
Brooklyn, N.Y. 11231  
Phone No: 718-569-2112

July 10, 2025

New York State Department of Law  
28 Liberty Street, 21<sup>st</sup> Fl  
New York, New York 10005

RE: 8322 24<sup>th</sup> Avenue Condominium  
8322 24<sup>th</sup> Avenue,  
Brooklyn, New York 11214

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (hereinafter "the Report"). I examined the building plans and specifications prepared by Design Studio Associates, 527 Court Street, Brooklyn, New York 11231, dated November 14, 2024 and February 27 2025 and prepared the Report dated July 10, 2025, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon.

I am a Professional Architect licensed in the State in which the property is located.

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

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and specifications that I examined;

(ii) in my/our professional opinion affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Paul Lombardi



I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on July 10, 2025





2/14/25

**CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20  
OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS  
AMENDED**

**RE: 2379 84<sup>th</sup> Street Brooklyn, New York**

The Sponsor of the condominium Offering Plan for the above captioned property retained me to review SCHEDULE B and SCHEDULE B-1, containing the projections of income and expenses for the first year of condominium operation. Our experience in the field includes being a licensed real estate broker for 36 years, the management of approximately 20 total buildings over 36 years, and the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 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 SCHEDULE B-1. We have reviewed the SCHEDULES and investigated the facts set forth in the SCHEDULES, and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in SCHEDULE B and SCHEDULE 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.

We certify that the Schedules do:

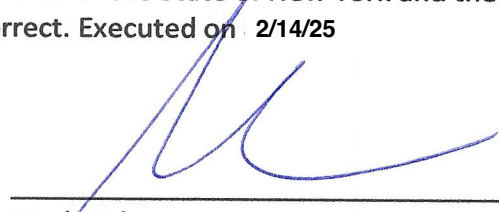
1. Set forth in detail the projected income and expenses for the first year of condominium operation;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, or suppression;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:

**8704 third avenue brooklyn, ny 11209 718-748-1800**

- 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 statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses of the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on 2/14/25



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Wade Jabour  
Licensed Real Estate Broker