

**CONDOMINIUM OFFERING PLAN
FOREST HILL WEST CONDOMINIUM**

CD25-0142

LOCATION:

1370 - 1372 Forest Hill Road, Staten Island, NY 10314

RICHMOND COUNTY, NEW YORK

Total Initial Amount of the Offering \$3,555,552.00

Total Number of Residential Units Being Offered4

**Sponsor and Selling Agent:
WALLACE AVENUE BUILDERS, LLC
4073 VICTORY BOULEVARD
STATEN ISLAND, NY 10314**

DATE OF ACCEPTANCE FOR FILING:, 2025

**THE TERM OF THIS OFFERING PLAN IS 12 MONTHS, UNLESS EXTENDED IN A DULY
FILED AMENDMENT.**

SEE PAGE (i) FOR SPECIAL RISKS TO PURCHASERS.

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

**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 THIS PLAN).**

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SPECIAL RISKS

1. There is no managing agent or superintendent provided for in the projected budget. The condominium will therefore not have a manager while the Sponsor is in control. If the condominium decides to engage a management company and/or a superintendent, this will entail an additional expense not included in the budget as it now appears. It is estimated by Sponsor's budget expert, Dome Property Management ("Dome"), that retaining a management company will increase the budget by \$250.00 per month, or \$3,000.00 per year. *Refer to Footnote 4 of Schedule B Projected Budget at page 17.*

The unit owners will have to perform any maintenance and management tasks since the budget does not provide for a management agent or laborers. The direct management of the condominium will be under the control of the Board of Managers as per the Declaration and Bylaws. These functions include maintaining the books and records of the condominium, and maintenance of the common elements such as the on-site common sanitary sewage and storm water drainage system, when necessary. In the event the condominium determines that it will employ a part-time handyman, Dome also estimates that annual common charges will increase by about \$300.00 per month or \$3,600.00 per year. *Refer to budget footnote 8 of Schedule B at page 18.*

2. Sponsor will complete the common elements prior to the closing of the first unit. Sponsor has not posted a bond or other security to secure its obligations under the plan. *Refer to Rights and Obligations of Sponsor at page 40.*

3. There are two (2) residential Buildings in the Condominium, each containing two (2) residential units. Sponsor will not close title on any Unit in a Building before obtaining a final certificate of occupancy (FCO) for the Building. *Refer to Terms of Sale, page 30.*

4. Although the responsibility to pay City and State transfer taxes is the obligation of the Seller, this obligation is passed on by the Sponsor to the purchaser pursuant to the Purchase Agreement. As a result, the Purchaser shall be responsible for the payment of the New York City Real Property Transfer Tax and the New York State Documentary Stamp Tax. These taxes when combined are equal to 1.825% of the consideration for NYC transfer tax purposes and 1.425% for NYS transfer tax purposes. Payment the transfer taxes is customarily the responsibility of the Seller. These taxes, when payable by the Purchaser, are considered additional consideration on which the transfer taxes are computed. Purchasers shall also be responsible for paying so-called mansion tax if the consideration is \$1,000,000.00 or more. *Refer to Unit Costs and Adjustments page 34 and the Purchase Agreement in Part II Section A.*

5. The Purchase Agreement in Part II of the Plan requires that any extras ordered from Sponsor are paid for by purchaser at the time of such order. All funds received by the Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note as a special risk that such funds may be released from the Escrow Account by the Escrow Agent when the Sponsor uses the funds for such upgrades or extras. If the plan is abandoned by Sponsor, the unit upgrade funds will be returned. The Sponsor will not retain costs or expenses for custom work, as the party breaching the contract should not be able to receive consequential damages. *Refer to Purchase Agreement in Part II Section A.*

6. The down payment received at the time a Purchase Agreement is executed will be deposited and held in a segregated attorney IOLA escrow account maintained by Sponsor's attorney. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit of more than \$250,000 will not be insured unless the Escrow Agent has established multiple accounts on behalf of purchasers at various institutions. Interest in an IOLA escrow account is not paid to the purchaser who paid same but is paid to the State of New York Lawyer's Fund for Client Protection. *Refer to Procedure to Purchase at page 23.*

7. Cellars may not be used for any type of occupancy, including, but not limited to, dining, sleeping, living room, office storage, etc. Doing so may result in a violation against the unit being issued by the NYC Department of Buildings. *Refer to Architects Report in Part II, Section D.*

8. Because Sponsor has the right to sell units to purchasers for investment or resale, owner-occupants may never gain effective control and management of the condominium. Purchasers who are owner-occupants and unit owners who are non-residents (including Sponsor), may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing. (i.e., purchase of a Unit as a home as opposed to investment).

The Bylaws of the condominium do not include a provision that, after the initial Sponsor voting control period, a majority of the Board of Managers must be owner-occupants or members of an owner-occupied household who are unrelated to Sponsor and its principals. Therefore, PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERM OF THIS PLAN. *Refer to Board of Managers at page 42.*

9. Upon the earlier of (i) closing of title to three (3) Units, or two (2) years from the first unit closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control and will not elect a majority of its nominees for positions on the Board, even though the total possible that Sponsor and/or its designee(s) may control the Board of Managers is for as long as two (2) years after the first unit closing. *Refer to "control by Sponsor on page 41.*

10. The square footage shown in "Schedule A" are derived from the Architect's Report in Part II of this Offering Plan. The architect measured the dimensions horizontally, from the unexposed face of the drywall at the exterior walls to the unit side of the walls and partitions dividing the units from the stairs, corridors, and other units, and vertically, by the upper face of the sub-floor of the unit up to the unexposed side of the drywall forming the upper ceiling of the unit. These dimensions include unusable space such as partitions and walls. Purchasers should verify each room and closet dimension for their interior use prior to closing. *See Footnotes to Schedule A at page 12.*

11. The Board of Managers shall have no personal liability with respect to any contracts made by them on behalf of the condominium. The Unit owners shall indemnify and hold harmless each of the members of the Board for acts on behalf of the unit owners. Each unit owner's liability shall be limited to such proportion of the total liability as his or her interest in the common elements bears to the interest of all unit owners in the common elements. This indemnification liability of the unit owners is several and not joint and several. *See By-laws in Part II Section F.*

12. The condominium is subject to the rules and regulations set forth in the By-Laws. All prospective purchasers should carefully review such rules and regulations. *See By-laws in Part II, Section F.*

13. In the event proceeds of insurance maintained by the condominium are insufficient to repair damaged units, the unit owners will bear responsibility for the cost of the repairs. *See By-laws in Part II Section F.*

14. The Housing Merchant Implied Warranty applies to this development. However, the Sponsor has limited the scope of the warranty. The warranty covers no more than 75% of the purchase price and does not cover consequential, incidental special and indirect damages except as required by law. The limited warranty is subject to all applicable laws. *Please refer to the Purchase Agreement in Part II Section A and the Housing Merchant Implied Warranty Law in Part II Section H.*

15. Notwithstanding anything to the contrary contained in the By-Laws in part II, for a period of two (2) years after the first unit closing so long as Sponsor or its designee shall continue to own one (1) Unit, the Board of managers may not, without the Sponsor's written consent (i) make any addition, alteration or improvements to the common elements or to any units; (ii) assess any common charges for the creation of, or addition to or replacement of all or part of a reserve for contingencies provided in the estimate of receipts and expenses for the First Year of operation set forth in Schedule B of the plan of condominium ownership; (iii) hire any employees in addition to the employees referred to in the plan of condominium ownership; (iv) enter into any service contract or maintenance contract for work not covered by contracts in existence as of the date of the first closing of title to a unit or; (v) borrow money on behalf of the condominium. *Please refer to "Control by Sponsor" at page 41 and By-Laws in Part II Section F of the Offering Plan.*

16. The Sponsor may not exercise veto power over expenses described in Schedule B or over expenses required: (i) to comply with applicable law or regulations; (ii) to remedy any notice of violation; (iii) remedy any work order by an insurer; or (iv) for any repair or replacement necessary for the preservation or safety of the building or for the safety of occupants of the building as required to avoid the suspension of any necessary services to the building. *Please refer to Control by Sponsor, at page 41.*

17. Purchasers are advised that pursuant to the Purchase Agreement, TIME IS OF THE ESSENCE regarding a Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of the Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default is not cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder up to 10% of the purchase price (plus the actual cost incurred paid for additional work ordered by the Purchaser), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale. The closing of title shall take place upon Sponsor's thirty (30) days written notice. If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in this Agreement will be made as of midnight of the day preceding the originally scheduled

Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser shall be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to an annual rate of 16% per annum of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his or her Unit on the rescheduled Closing Date. *Refer to the Purchase Agreement in Part II Section A.*

18. The risk of loss from fire or other casualties to a Unit remains in Sponsor unless and until a purchaser takes actual possession of a unit pursuant to an interim lease (or written agreement with Sponsor), or legal title has passed to purchaser. If the risk of loss passes on to purchaser before closing, the purchaser should discuss with his or her representatives the need for insurance and the types available such as contents coverage. Purchaser is advised that a person in possession without legal title cannot insure against fire or other casualty loss since he or she has no ownership or insurable interest in the Unit and Building. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

19. The unit owners are responsible for purchasing their own laundry appliances. A laundry closet is provided on the 2nd floor of each unit with the interior dimensions of 3'-4" w x 3'-4" l x 8'-0" ceiling height. The laundry closet has adequate room for a standard-sized stacked washer & dryer. There will be hookups only providing water & electricity for a washing machine and gas, electric and exhaust vent hookup for a gas dryer.

20. The Sponsor will not be renting any off-street parking spaces to non-residents of the building since the parking spaces will be limited common elements of the unit in which the spaces are adjacent.

21. The cellar in each unit is for "Accessory Use Only" and shall not be used for sleeping, cooking, and/or living purposes and cannot be rented independently.

22. Sponsor will not provide the following kitchen appliances (refrigerator and microwave oven) and fixtures to the units. Sponsor will only provide connection points for hook-ups for these appliances. Sponsor will provide to each unit a gas range and a dishwasher as well as the hook-ups (gas, electric, etc.) for these appliances.

THE FOREST HILL WEST CONDOMINIUM OFFERING PLAN

I. INTRODUCTION

A. The purpose of the offering plan is to set forth all the material terms of the offer. The plan may be amended from time to time when an amendment is filed with the New York State Department of Law. Amendments will be served on all offerees as defined in 13 NYCRR section 20.1(d). The condominium is subject to and shall comply with the New York Condominium Act set forth in Article 9-B of the New York State Real Property Law and Article 23-A of the General Business Law.

B. Wallace Avenue Builders, LLC, with offices at 4073 Victory Boulevard, Staten Island, NY, the record owner of the realty, is the sponsor (hereinafter "Sponsor") under this offering plan (hereinafter "Offering Plan"), and hereby offers to sell four (4) residential condominium units to the public, which are presently being constructed on approximately 15,701 square feet of land at 1370 and 1372 Forest Hill Road, Staten Island., New York. The Sponsor acquired fee title to the property comprising the condominium development on May 25, 2023.

The condominium development is composed of two detached buildings with each building containing two semi-attached side-by-side residential one-family residential units. Each Building also has accessory parking for four (4) automobiles, or eight parking spaces in total. Each of the two semi-attached units in a building will have a cellar, first and second floors. The buildings are mirror images of each other. Each Unit has two double tandem outdoor parking pads which will be limited common elements to those units. Each of the four units has as limited common elements all appurtenant areas and improvements outside of the interior of a unit including the unit's front, side and rear yards, the unit's sidewalks, walkways, driveway and tandem parking pads, the unit's exterior and roof, and the unit's cellar and exterior stairways, porch and deck. The specific location of these limited common elements, their size and configuration, are located on the Site Plan in Part II of the Offering Plan under Section D.

The Sponsor represents that it will endeavor in good faith to sell units rather than rent after the plan has been consummated.

Because Sponsor has the right to sell units to purchasers for investment or resale, owner-occupants may never gain effective control and management of the condominium. Purchasers who are owner-occupants and unit owners who are non-residents (including Sponsor), may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing (i.e., purchase of a Unit as a home as opposed to investment).

The Bylaws of the condominium do not include a provision that, after the initial Sponsor voting control period, a majority of the Board of Managers must be owner-occupants or members of an owner-occupied household who are unrelated to Sponsor and its principals. Therefore, PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERM OF THIS PLAN.

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

The common elements consist of all areas and components of the development excluding the individual Units and their limited common elements. The limited common elements of a unit include all appurtenant areas and improvements outside of the interior of a unit including the unit's front, side and rear yards, the unit's sidewalks, walkways, driveway and tandem parking pads, the unit's exterior and roof, and the unit's cellar, exterior stairways, porch and deck.

Each unit will be completed with a stove, microwave and dishwasher as well as plumbing and electrical fixtures and will have its own in-unit combined utility and mechanical room which will house the heating/ air conditioning unit, and hook-up availability for a washer/dryer. A refrigerator for the kitchen and a washing machine and clothes dryer for the laundry are not included in the offering price and actual hook-up for these excluded appliances will not be supplied by the Sponsor.

The condominium will have an internal sanitary sewer drain which connects to the City system located along Forest Hill Road. Each unit will have a lateral connection to the internal sanitary sewer drain. Storm water run-off for each unit will be carried via onsite drains to an internal drywell located in the rear yard of the property. Maintenance of the common internal on-site sanitary sewer drain, and maintenance of the common on-site storm water drains which direct storm water to on-site drywells, will be the responsibility of the Condominium.

The sales prices were set by the Sponsor alone and are not subject to approval by the Department of Law or any other government agency.

The development is new construction. All units offered in this plan will, when completed, be kept vacant until consummation of the offering plan unless a unit is occupied by a purchaser under contract pursuant to an interim lease agreement.

No agreements, written or oral, have been entered into for the sale or transfer of any of the Units offered in the plan. No deposits or advances of funds have been taken by or on behalf of sponsor in connection with the reservation, sale or transfer of Units, prior to submission of the plan to the Department of Law.

The plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the plan, all documents referred to in the plan and all exhibits submitted to the Department of Law in connection with the filing of the plan, will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on-site sales office, if any, is open and at the office of the sponsor, or selling agent if not the sponsor.

C. Basic Aspects of Condominium Ownership. A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-Laws will be recorded prior to conveyance of title to the first Unit by the Sponsor. The Declaration and By-Laws will be those set forth in this Offering Plan and will not be changed so as to have a material adverse effect on the purchaser.

Each purchaser owns his or her Unit outright and is entitled to exclusive possession of that Unit together with an interest in and right to use the common elements, and the exclusive right to use their limited common element, if applicable.

The common elements of the condominium are all areas excluding the interior of the actual units themselves and the designated limited common elements. The limited common elements of a unit include all appurtenant areas and improvements outside of the interior of a unit including the unit's front, side and rear yards, the unit's sidewalks, walkways, driveway and tandem parking pads, the unit's exterior and roof, and the unit's cellar and exterior stairways, porch and deck.

Each Unit owner will be responsible for the maintenance of the interior of the owner's Unit and the limited common elements appurtenant to the owner's unit. Each Unit will be taxed as a separate tax lot for real estate tax purposes and may be separately mortgaged. Under present Federal and New York State income tax laws, real estate taxes and the interest paid on the mortgage on a Unit may be partially deducted from income subject to limitations and exceptions under federal, state and local law. See Opinion of Counsel later in Part I for more details as to the tax deductions.

In addition, a Unit Owner will own, in common with the owners of all other Units, an undivided interest in all parts of the Property other than the Units (the "common elements") and the exclusive right to use limited common elements, as applicable. As a Unit Owner, the unit owner will have the right to vote annually for the election of members of the Board of Managers, who will supervise the Property and manage the affairs of the Condominium under the authority of the Declaration, By-Laws, and applicable statutes.

The Board of Managers will assess against every Unit Owner, in proportion to his or her interest in the common elements, charges for the maintenance of the common elements and for the operating costs of the Property (herein referred to as "common charges" or "common expenses") which Unit Owners must pay pursuant the New York Condominium Act, Real Property Law Section 339(i) and (m).

Electricity for each Unit will be separately metered by Consolidated Edison, and each Unit Owners will pay the utility directly for the electricity which he or she uses for air conditioning, lighting and appliances. Gas for cooking and heating will be provided for each Unit by National Grid and also be separately metered and paid for separately by each Unit owner. The individual Unit owners will each have to pay for all other utilities, and for the upkeep of the interior and exterior of the Units, as well as maintaining insurance on the interior of their Units, including contents and betterments therein, if any, and their own liability insurance.

Each unit owner must pay common charges in accordance with the New York Condominium Act, Real Property Law sections 339(i) and (m).

The common charges will include insurance for the buildings, general repairs of common areas as well as miscellaneous common expenses such as accounting fees and expenses.

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 board of managers shall, by virtue of the Declaration and By-Laws, shall have authority to manage the condominium, or delegate portions of this authority to a management company or agent. Subject to Sponsor's control period as set forth later in this

Plan, Unit owners will have a right to vote for members of the board of managers at duly called meetings pursuant to the By-Laws.

Under the New York State Condominium Act, a condominium unit may be owned by an individual, a corporation, a partnership, or a fiduciary. There is no restriction as to who may purchase. There are no restrictions on the use, resale, leasing or mortgaging of a Unit, except for payment of common charges and special assessments, if any, which must be current as determined by the Board of Managers at the time of sale, lease, or mortgaging.

Each unit will be separately taxed and may be separately mortgaged.

The condominium board does not have the right to approve or disapprove Sponsor's purchasers, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and there may always be a substantial percentage of owners who are non-residents.\

Each unit owner is responsible for the maintenance of the interior and exterior of the owner's unit and the limited common elements appurtenant to the Unit. Water and sewer pipelines which connect the unit to common sanitary and storm sewer drains are the responsibility of the unit owner as is the unit's electrical and plumbing systems. The unit interior walls as well as the walls abutting common areas or adjacent units are the responsibility of the individual owner. All systems servicing or within the unit are the responsibility of the unit owner as is general interior and exterior unit maintenance such as painting and roof repairs and replacement. The Board of Managers shall maintain insurance on the buildings. The unit owner is responsible for obtaining, if desired, contents, betterments, and improvements insurance coverage, as well as liability insurance for the owner's individual unit.

All equipment and fixtures described in the plan and the narrative of the architect in Part II are included in the offering price.

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

DEFINITIONS.

For convenience of presentation, general definitions of certain terms which are used in the Plan are set forth below. Such definitions are subject in some cases to the more specific meanings as set forth in the Declaration and By-Laws.

BY-LAWS: The document governing the operation of the Condominium, pursuant to which the Board of Managers is elected and governs, including provisions for calling meetings of unit owners, election of officers, assessments, and restrictions.

COMMON CHARGES: Assessments payable to the condominium by the Unit owner for the purpose of meeting common expenses monthly.

COMMON ELEMENTS: The land, and all areas or facilities for the common use of certain or all Unit owners.

COMMON EXPENSES: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the common elements.

COMMON INTEREST: The proportionate interest of each Unit owner in the common elements, expressed as a percentage determined in accordance with the declaration. The total percentage of Common Interests of all Unit owners equals 100%. The common interests are the basis of determining the liability for a share of common expenses and share of any distribution upon termination of the condominium.

DECLARATION: The instrument, as amended from time to time, by which the property is submitted to the provisions of the New York Condominium Act. The declaration is set forth in Part II of this plan.

FLOOR PLANS: Floor plans of the building will be filed with the Richmond County Clerk simultaneously with the recording of the declaration.

LIMITED COMMON ELEMENT: These are defined as those portions of the common elements which are for the exclusive use of one or more Units but less than all of the Units.. The limited common elements of a unit include all appurtenant areas and improvements outside of the interior of a unit including the unit's front, side and rear yards, the unit's sidewalks, walkways, driveway and tandem parking pads, the unit's exterior and roof, and the unit's cellar and exterior stairways, porch and deck.

PROPERTY: The land, the buildings, and the appurtenances thereto of the condominium.

PURCHASE AGREEMENT: The contract to purchase a Unit pursuant to the plan, the general form of which is set forth in Part II of this plan.

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

SELLING AGENT: The Sponsor will serve as its own Selling Agent and the offering will be made by members and employees of the Sponsor.

UNIT, UNITS: Any space designated and defined as a Unit in the declaration, consisting generally, of either a specific Unit or Unit located in the building. All such Units are collectively referred to as the "Units".

UNIT OWNER: An owner of a condominium Unit.

UNSOLD UNITS: Any Units owned by sponsor or its designee, unless used for personal residence of Sponsor.

II. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The property, upon which the Condominium is being constructed, is situated in the County of Richmond, City of New York, lying on Forest Hill Road and consists of Block 2370 and existing Lot 162 on the Tax Map of the Borough of Staten Island. The condominium's Land was previously improved with a residential dwelling which was vacant when acquired by Sponsor and later demolished by Sponsor to clear the land for construction. The Sponsor has no knowledge of any environmental issues with respect to the Land. Local Law 97, which regulates and limits a building's carbon emissions, does not apply to the condominium's two (2) buildings since the two buildings do not collectively exceed 50,000 square feet. The buildings lie within residential zone district R3-1 of the New York City Zoning Resolution. The New York City Zoning Resolution permits residential building use as of right. The buildings to be constructed on the Land can be built under this zoning as of right, no special approvals are required. The area surrounding the development site is composed of predominately residential one- and two-family houses and condominiums.

The Forest Hill West Condominium will consist of a total of two (2) two-family dwellings with a total of four residential condominium units, and tandem outdoor parking pads with each pad on approximately 144 square feet of land. It is anticipated that the project will be completed and ready for occupancy by October 1, 2025.

Each two-family building has a cellar, first and second floor. The building plans located in Part 11 of this offering plan show the layouts of the units in detail.

Each condominium unit will be accessible by exterior front stairs providing access to the first floor of each unit. There will also be exterior stairs in the rear side of each unit providing access to the Unit's cellar. Each unit will also have a rear door leading to a deck with access to the rear yard.

Each unit has its own in-unit combined utility and mechanical room which houses hookups available for a clothes washer and dryer as well as the hot water heater and central heating cooling system. The utility room is located in the cellar of the unit. The hot water heaters for the units will be a gas fired direct vent unit Model #50-22V50F1, manufactured by Rheem with an N.Y.C. MEA approval (284-03E, vol. 15) each with an input rating of approximately 50,000 B.T.U.H.

The heating of each unit will be provided by gas fired, hot air furnaces, two (2) for each unit with one furnace located in the cellar mechanical room and the other located in the attic. The A/C condensers will be located in the rear portion of each side yard of the building.

The cooling of each unit will be provided through a central air conditioning system in combination with the unit's forced air heating system, with one system located in the unit's mechanical room and the other located in the attic. The heating and air conditioning units shall be manufactured by International Comfort Products, or equivalent.

The Sponsor will not supply a clothes washer or dryer. The purchaser is responsible for these appliances.

Each unit kitchen will contain a stainless-steel sink by Moen, Model #GS181953Q with faucet by Delta, or equivalent; a four-burner gas range/oven manufactured by Frigidaire, model # FCRG #3052AS,

or equivalent; a built-in 24" dishwasher by Frigidaire Model # PH431GAS, or equivalent.; and a microwave by G.E, Model #JVM316ORFSS, or equivalent.

The purchaser will be responsible for their own refrigerator and any other appliances not mentioned herein as being included.

For a complete description of appliances and room finishes, please see Architect's narrative report in part II of this Offering Plan.

The Sponsor will provide combination smoke and carbon monoxide detectors for each Unit; Kidde Nighthawk AC interconnectable CO & Smoke/Fire Alarm 4900-0114E with battery backup. Window guards will not be installed in all Units as same is not required by NYC Code for a two-family dwelling, however, same are recommended for any unit purchased by purchasers who have children of ten years or under.

No optional, extra features are offered. However, purchasers may initiate negotiations for options or extras based upon their own ideas as to what sponsor may be able to provide.

The Units and the Building containing them, and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction. The Sponsor, in connection with this plan, has complied and will comply with all applicable rules, laws, regulations and other governmental requirements pertaining thereto, including the Building Code of the City of New York and the Zoning Law, and any other law or regulation that may be determined to apply. The construction will be in accordance with the description and specifications described in Part II of the Plan.

Each Unit and the common elements will be constructed in the manner set forth in the Building plans filed with the City of New York and any amendments thereto, which amendments will in all instances be filed with the City of New York. Such plans will not be changed so as to materially affect the unit owner, but in any event may be changed at the request of the purchasers. With respect to a change in size of a Unit, a decrease in a Unit's area of 5% or less will not affect a purchaser's obligations unless such decrease is determined to be a material change. There shall be a rebuttable presumption that an area that is diminished by 5% or less is not material. The construction will be in accordance with the description and specifications described in Part II Section D of the Plan.

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits, cables, and public utility lines located in the common elements or located in other Units and servicing his or her Unit. Further, each Unit Owner, will have an easement for the continuance of any encroachment by his or her Unit on any adjoining Unit or common element now existing or which may come into existence hereafter as a result of repair or alteration of the Units by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the common elements so that any such encroachment may remain undisturbed so long as a unit stands. Each Unit will be subjected to such encroachments and easements in favor of all other Units.

The Board of Managers, its agents and employees shall have a limited right of access to the Units, limited common elements and to the common elements (irrespective of the restricted nature of

such common elements) to inspect, maintain or repair the common elements or to make repairs to the Unit to prevent damage to the common elements or any other Unit. Other easements which will affect the Condominium may be found in the Declaration and By-Laws. Such access to the Units shall be limited to emergencies and upon notice to the Unit Owner when possible.

The use and enjoyment of all limited common elements by the Unit owner shall be subject to the terms and conditions found in the Declaration and By-Laws in Section two of this plan.

The on-site sanitary system will be connected to the New York City sanitary sewer located along Forest Hill Road. The storm water runoff from the buildings will run through leaders and gutters to PVC piping ending at a series of drywells at the rear of the property.

The property is located outside of the Special Flood Hazard Map in a 500-year flood plan area.

III. LOCATION AND AREA INFORMATION

The property is in Staten Island, New York and located on Forest Hill Road near its intersection with Travis Avenue in the New Springville Section. The buildings lie within residential zone district R3-1 of the New York City Zoning Resolution. This zoning district permits residential building use as of right. The buildings under construction can be built under this zone as of right, no special approvals are required. (See area map in Part II Section D). The condominium is new construction built on a 15,701 square foot parcel of land.

Except for the Sponsor's 4-unit condominium project to be located on the adjacent property and to be known as Forest Hill East Condominium, the Sponsor does not have any other pending projects in the immediate vicinity (i.e. within one block of the property) nor are there any development projects that have been publicly announced that will be adjacent to or directly across the street from the property.

There is a shopping mall as well as small shops and local shopping along Richmond Avenue, a major shopping hub within several blocks of the site. The site is mostly surrounded by one- and two-family residences as well as a public golf course across the street. There are several small, established condominiums and HOA developments within five blocks of the site.

The Condominium site is in a developed residential area of New York City with public transportation, schools, religious facilities, police, and fire departments all located near the Site. The Condominium faces a public street which is and will be maintained by the City of New York and the Development has the benefit of gas, water, and electrical service.

Local buses S61 and express bus SIM 4C run along Richmond Avenue several blocks away. Buses S46 and S44 run to the Staten Island Ferry Terminal.

Staten Island University Hospital North at 475 Seaview Avenue is approximately five (5) miles away from the site. The 121st Police Precinct, located at 970 Richmond Avenue, is 4 miles away. FDNY Engine 165 and Ladder 85 Engine Company located on Richmond Road are approximately 2.5 miles away from the development.

Public School 69, located at 144 Keating Place, is less than 1 mile away. CSI High School for International Studies at 100 Essex Drive is about ½ mile from the site.

Clove Lakes Park is 4 miles away.

The development is 1.5 miles from the Staten Island Expressway which provides direct routes to Staten Island's four (4) bridges, Verrazano, Goethals, Outerbridge, and Bayonne.

IV. Schedules A, B & B-1 and Footnotes



FOREST HILL WEST CONDOMINIUM

Schedule A

Projected charges are for the initial year of operation as a condominium from October 1, 2025 to September 30, 2026 (12 months).

(1) Unit Number	(2) Location Floor #	(3) No. of Bdms / Bthrms	(4) Approx. Gross Sq. Ft. *	(5) Uninhabitable Area (Limited common elements)	(6) Offering Price	(7) Percentage Interest in Common Elements	(8) Estimated Common Charges		(9) Estimated Real Estate Taxes		(10) Total Estimated Common Charges and Real Estate Taxes	
							Monthly	Yearly	Monthly	Annual	Monthly	Annual
1A	Direct Access	3 / 3.5	1,871	Cellar: 935 SF Parking: 288 SF Front Yard**: 1,349 SF Side Yard***: 487 SF Rear Yard: 839 SF Deck: 24 SF Porch: 39 SF Total: 3,961 SF	\$888,888	25.0%	\$ 350.66	\$4,207.93	\$ 811.46	\$9,737.50	\$1,162.12	\$13,945.43
1B	Direct Access	3 / 3.5	1,871	Cellar: 861 SF Parking: 360 SF Front Yard**: 1,453 SF Side Yard***: 608 SF Rear Yard: 996 SF Deck: 24 SF Porch: 39 SF Total: 4,341 SF	888,888	25.0%	350.66	4,207.93	811.46	9,737.50	1,162.12	13,945.43
2A	Direct Access	3 / 3.5	1,871	Cellar: 935 SF Parking: 360 SF Front Yard**: 1,544 SF Side Yard***: 487 SF Rear Yard: 954 SF Deck: 24 SF Porch: 39 SF Total: 4,343 SF	888,888	25.0%	350.66	4,207.93	811.46	9,737.50	1,162.12	13,945.43
2B	Direct Access	3 / 3.5	1,871	Cellar: 861 SF Parking: 288 SF Front Yard**: 1,416 SF Side Yard***: 487 SF Rear Yard: 956 SF Deck: 24 SF Porch: 39 SF Total: 4,071 SF	888,888	25.0%	350.66	4,207.93	811.46	9,737.50	1,162.12	13,945.43
Total		7,484.00	Total	16,716 SF	\$3,555,552	100.00%	\$1,402.64	\$16,831.71	\$3,245.83	\$38,950.00	\$4,648.48	\$55,781.72

* Does Not Include Cellar ** Includes portion of street widening *** Includes the parking area within Side Yard

NOTE: The square footage ("SF") of the units does not include the square footage of the limited common elements. These spaces are considered uninhabitable areas which may not be used as a bedroom or living room and to do so may result in a building code violation being issued for the building.



FOREST HILL WEST CONDOMINIUM

Exhibit 1

Projected assessments for the initial year (12 months) of operation as a condominium commencing October 1, 2025.

Unit Number	Location Floor #	No. of Bdrms / Bthrms	Approx. Gross Square Footage	Projected Assessed Valuation
1A	Direct Access	3 / 3.5	1,871	48,000
1B	Direct Access	3 / 3.5	1,871	48,000
2A	Direct Access	3 / 3.5	1,871	48,000
2B	Direct Access	3 / 3.5	1,871	48,000

Total **\$192,000.00**



FOREST HILL WEST CONDOMINIUM

FOOTNOTES TO SCHEDULE A

(1) Unit Number

Prospective Purchasers should refer to the Floor Plans in Part II of the Plan for an approximation of the dimensions the Units. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

(2) Number of Bedrooms/Bath

The room count is based on the New York City Zoning Resolution.

(3) Approximate Gross Square Footage

Dimensions of units are approximate and are located: horizontally; to the unexposed faces of the drywall, including the thickness of such drywalls at the exterior walls of the buildings, and the unexposed faces of the drywalls, including the thickness of such drywalls to the unit side of walls and partitions dividing the units from corridors, stairs and other units, and vertically; by the upper face of the sub-floor of the unit up to the unexposed side of the drywall forming the upper ceiling of the unit. Doors and windows which open from a residential unit and interior walls of a residential unit shall be deemed to be part of the residential unit.

(4) Approximate Square Footage of Limited Common Elements

Certain Units may have amenities that are appurtenant to the particular unit. Each stated amenity, if any, is described on Schedule A as a Limited Common Element. For a description of the rights and obligations of the Unit Owners with respect to the repair and maintenance of the Limited Common Elements, see the section of the Plan titled, "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan.

(5) Purchase Price

**THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT
SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW.**

The purchase price and other terms of sale of the Units may be negotiated by Sponsor, and therefore may be changed. In addition, Sponsor reserves the right to change the purchase price of Units not subject to executed Purchase Agreements without notice. Accordingly, Purchasers may pay different prices for similar Units.

However, across the board changes in the total cash purchase prices affecting one or more lines of units, changes in total cash purchase prices that are to be advertised, or increases in total cash purchase prices, shall be made by amendment only. Individually negotiated decreases in total cash purchase prices may be made without amendment to the Plan. See "Changes in Prices or Units" in Part I of the Plan for details.

Each Purchaser should expect to pay for certain other expenses at the closing as explained in the section titled "Unit Closing Costs and Adjustments". Purchaser is advised to consult with the lending institution of his or her choice as to current charges.

(6) Percentage of Common Interest

The percentage of Common Interest Allocated to each Unit is based upon respective floor space, location, uniqueness, overall dimensions and/or similar factors of relative value to other space in the Condominium. The allocations are made pursuant to Section 339-I 1(ii) of the Real Property Law, which is part of Article 9-B of the Condominium Act. The aggregate Common Interest of all Units equals 100%.


DOME PROPERTY MANAGEMENT, INC.
(7) Estimated Common Charges

The total annual projected common charge is based on the projected budget for first year of operation. The monthly common charge payable by each Unit Owner is based on the Unit Owner's percentage of common interest in the Condominium. The annual common charges may vary due to changes in operating expenses, including but not limited to the cost of water meter charges, sanitary and stormwater drain cleanout, and insurance. See footnotes to Schedule B and Schedule B-1 for a more detailed description of the expenses and services related to ownership of a Unit.

The annual common charges do not include the cost of maintaining the interior and exterior of the unit, making repair thereto, or electricity or cooking gas for each unit - all of which are the responsibility of each Unit Owner.

If a Purchaser obtains financing for his or her unit, the debt service for said loan would be in addition to the common charges set forth herein.

(8) Estimated Real Estate Taxes

This real estate tax estimate for the Condominium's first year of operation is assumed to begin October 1, 2025.

First Year of Condominium Operation: As set forth the letter of opinion of proposed real estate tax liabilities, dated February 27, 2025, prepared by Equity Valuation Associates ("EVA"), 1855 Victory Blvd., Staten Island, NY, Sponsor's real estate tax expert:

Building Type: Proposed new construction.

Projected tax assessment for the buildings following completion of construction: \$192,000. See also, the within Exhibit #1 which contains a per unit breakdown of the projected assessed valuation.

Actual 2024/2025: Tax rate: \$20.085 per \$100.00; Actual annual real estate taxes: \$38,563.20.

Estimated 2025/2026: Tax rate: \$20.286 per \$100.00; Estimated annual real estate taxes: \$38,949.12.

After the condominium is divided into individual tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes and the unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units. Each Unit Owner's real estate taxes may be based on the Unit Owner's percentage of common interest of the real estate taxes for the entire Property.

The projected deductibility of real estate taxes for income tax purposes (where applicable) 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.

DUE TO POSSIBLE INCREASES IN THE TAX RATE AND/OR POSSIBLE FURTHER INCREASES IN THE PROPERTY'S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER THAN AS SET FORTH FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. NO WARRANTY IS OR CAN BE MADE BY SPONSOR OR ANY OTHER PERSON THAT THE NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT OR THE NEW YORK CITY REAL PROPERTY ASSESSMENT DEPARTMENT, OR ANY AGENCY WITH JURISDICTION, WILL APPROVE THE TAXES AS ESTIMATED. NEITHER SPONSOR NOR ITS COUNSEL SHALL BE LIABLE, IF BECAUSE OF CHANGE IN LAWS AND/OR REGULATIONS OR THE INTERPRETATION OF LAWS AND/OR REGULATIONS OR, AS TO THE LAW OFFICE, IF THE FACTS REPRESENTED BY SPONSOR PROVE INCORRECT.

(9) Total Estimated Common Charges and Real Estate Taxes

The total estimated common charges and real estate taxes are the sum of the projected annual/monthly common charges (column 7), plus the annual/monthly real estate taxes (column 8). As stated, the Condominium's first year of operation is assumed to commence October 1, 2025. If a Purchaser obtains financing, the Purchaser's debt service will be an additional expense.

**PURCHASERS SHOULD CONSULT WITH THEIR OWN ATTORNEY
BEFORE SIGNING A PURCHASE AGREEMENT.**



FOREST HILL WEST CONDOMINIUM

Schedule B

PROJECTED BUDGET FOR THE FIRST YEAR OF OPERATION* FROM OCTOBER 1, 2025 TO SEPTEMBER 30, 2026

PROJECTED INCOME		AMOUNT
A	Common Charges – 4 Residential Units	\$16,831.71
B	Estimated Receipts from Other Sources	0.00
C	TOTAL PROJECTED INCOME	\$16,831.71
PROJECTED EXPENSES		
1.	Utilities	\$5,600.00
	a. Electricity	\$0.00
	b. Water & Sewer Charges	5,600.00
	c. Heating, cooling, and hot water	0.00
2.	Repairs, maintenance, and supplies	250.00
3.	Insurance	7,106.71
4.	Management Fees	0.00
5.	Legal and Accounting Fees	1,950.00
6.	Taxes	25.00
	a. Real Estate.	0.00
	b. Franchise and Corporate	25.00
7.	Reserve	1,650.00
8.	Other:	250.00
	a. Labor	0.00
	b. Administrative Expenses	50.00
	c. Contingencies, Petty Cash	200.00
9.	TOTAL PROJECTED EXPENSES	\$16,831.71

If the estimated first year differs from the actual commencement of the budget year by six (6) months or more, the Sponsor will amend the Plan to include a revised budget. If the amended budget exceeds this budget by twenty-five (25%) percent or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements, and a reasonable period of time that is not less than 15 days after the date of presentation to exercise the right, and have their deposits returned, together with interest, if any.



FOREST HILL WEST CONDOMINIUM
FOOTNOTES TO SCHEDULE B

This estimate of operating expenses and income has been prepared by the Sponsor's expert, Dome Property Management, Inc., 109 Winant Place, Staten Island, New York 10309, based on operation of comparable condominiums in New York City, in Staten Island, and other factors.

Since there are many items that can, but do not, arise during the course of a year, it is impossible to predict all of the expenses the condominium will incur, and it is impractical to budget for every possible occurrence. Thus, this budget cannot be constructed as an assurance of the final expenses and is merely based upon information available at this time.

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation assumes that the first year of Condominium operation will be the year beginning October 1, 2025. The actual first year of operation may begin earlier or later.

PROJECTED INCOME:

A.	<i>Common Charges – Residential</i>	<i>\$16,831.71</i>
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The amount of common charges is the estimated income needed to pay the common expenses attributable to the common elements during the projected first year of operation, and that will be collected from the Unit Owners. The common charges will be used to defray the expenses of the condominium. This figure represents the total common charges to be levied against the residential units.

Common Charges for individual units are derived by evaluating the relative size, layout and amenities of each unit, and assigning a percentage to that unit relative to the rest of the units in the Condominium. For the purposes of this budget only Common Charges are estimated.

B.	<i>Estimated Receipts from Other Sources</i>	<i>\$0.00</i>
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NONE.

C.	<i>Total Projected Income</i>	<i>\$16,831.71</i>
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This represents the total projected income required to operate the Condominium during its first fiscal year.



PROJECTED EXPENSES:

1. **Utilities** \$5,600.00

a. **Electricity (common areas)** \$0.00

There is no common electric service at the condominium.

Each unit will have an electric meter for usage within the unit, which will be billed by the utility to the unit owner directly. See Schedule B-1 for an estimate of projected electricity usage for the individual units.

b. **Water & Sewer Charges** \$5,600.00

Water and sewer consumption for the individual units will be billed by the City of New York. Water usage for units 1A and 1B will be serviced through a common water service connection, and water usage for units 2A and 2B will be serviced through a common water service connection. Sponsor will install the water meter at no cost to the Condominium or Unit Owners. All water and sewer charges will be paid by the Condominium as a common expense.

Current NYC water rates are \$4.87 per hundred cubic feet (approximately 748 gallons). Charges for waste and stormwater sewer service are billed at 159% of water charges.

*Information on common area water and sewer usage and corresponding costs was provided by Sponsor and:
Flow-Right Plumbing & Heating Corp., 94 Davidson Street, Staten Island, NY 10303*

c. **Heating, cooling, and hot water (common areas)** \$0.00

There is no common heating, cooling, or hot water at the condominium.

Each unit will have a gas meter for usage within the unit, which will be billed by the utility to the unit owner directly. See Schedule B-1 for an estimate of projected gas usage for the individual units.

2. **Repairs, Maintenance & Supplies** \$ 250.00

The Condominium building is new construction. No major repairs, which would typically be covered under warranty, are expected during the first year of operation. The above amount may be used at the Board's discretion for the maintenance of the building's common sanitary and stormwater sewer drainage systems and to provide for any needed minor repairs.

Repairs, maintenance, and supplies, cover the cost of maintaining the Common Elements, such as repairs to the common sanitary and stormwater sewer drainage systems.

Each Unit Owner is responsible for the maintenance, repair, and decoration of the interior and exterior of their Unit including appliances, and for the repair and maintenance of the Unit's limited common elements, such as porches, decks, parking pads, garages, if any, driveways, walkways and sidewalks and landscaping.

Estimates on the above were provided by:

Dome Property Management, Inc. 109 Winant Place, Staten Island, NY 10309

3. **Insurance** \$7,106.71

At closing the condominium will have fire and casualty insurance under an agreed amount replacement cost policy including a 100 percent coinsurance provision so that the insured shall not be a co-insurer. The insurance coverage meets the requirements of any mortgage lender procured by Sponsor. This projection is based on the estimates of annual premiums for the below listed coverage(s):

COVERAGE AMOUNTS

BUILDING- Special Form, 0% coinsurance	\$1,938,574
Replacement Cost	Included

COMMERCIAL GENERAL LIABILITY COVERAGES

General Aggregate Limit	\$2,000,000
Each Occurrence Limit	\$1,000,000

OTHER COVERAGES

Directors & Officers Liability	\$1,000,000
Fidelity Coverage	\$50,000
Deductible	\$2,500 / \$1,000 retention

Other insurance coverage may be required and/or desired and are available for additional cost. The Sponsor's insurance expert has suggested additional umbrella coverage and/or workers compensation and disability coverage if required or desired by the Board of Managers.



The insurance provides "replacement cost coverage" for the building. In the opinion of the named insurance broker, this insurance is sufficient to restore the building after a covered loss. However, it is not intended to replace a professional appraiser's estimate in determining the actual replacement cost.

The insurance policy will provide: (a) that each Unit Owner is an insured party as to Common Areas only; (b) that there will be no cancellation of the policy without notice to the Board of managers (c) a waiver of subrogation; (d) a waiver of invalidity because of the acts of the insured and unit owners; and (e) a waiver of pro-rata reduction if unit owners obtain additional coverage.

This quotation is an indication of premiums at current rates. It is not possible to predict if future coverage will be available at the same premium. Generally, the projected premium contemplates a rise in rates.

Section 339-bb of the New York Real Property Law provides that in charging insurance premiums to Unit Owners, consideration may be given to the higher premium rates on some units than others.

The insurance scheduled for the Condominium does not cover fire and casualty losses to the contents of individual Units, nor does it cover replacements of or additions to the fixtures and improvements in individual Units, or liability insurance coverage for occurrences within Units. Unit owners are responsible for purchasing such insurance at their own cost and expense. It is recommended that Unit Owners consult with an insurance broker as to the necessity for, and the desirability of obtaining coverage for one or more of such risks and as to the amount of such coverage.

*The above coverage and annual premium are based on estimates provided by:
RJW Brokerage Corp., 651 Willowbrook Road, Staten Island, NY 10314.*

4. Management Fees \$0.00

The Sponsor has not budgeted for management of the Condominium by a professional management company. Should the Board of Managers elected by the Unit Owners desire to retain professional management, it is estimated that the cost of professional management would be approximately \$250.00 per month, or \$3,000.00 per year.

With no manager or management contract, the services that unit owners will have to provide include collection of common charges and assessments, if any, maintaining insurance, and hiring of contractors for maintenance and repairs, and accountants and attorneys when needed,

*Information on management fees was provided by:
Dome Property Management, Inc. 109 Winant Place, Staten Island, NY 10309*

5. Legal and Accounting Fees \$1,950.00

A certified public accountant will be responsible for an annual examination of the Condominium's books and records in conformity with generally accepted accounting principles and for preparing the required annual financial statement. In addition, the accountant will be responsible for preparing federal, state and city income tax returns. The amount set aside for this service is \$1,200.00.

Legal fees of \$750.00 are estimated to engage counsel for miscellaneous legal matters arising in connection with the initial operation of the condominium. It does not include collection fees for unpaid common charges and assessments.

*Information on legal and accounting fees was provided by:
Gregg T. Iliceto, CPA, LLC, 3041 Veterans Road West, Ste. 3, Staten Island, NY 10309
Michael M. Amtzis, Esq., PLLC, 2040 Victory Blvd., Staten Island, NY 10314*

6. Taxes \$ 25.00

a. Real Estate \$0.00

The value of all real property owned by the condominium will be reflected in the values and assessments of the individual Units, and thus it is not expected that the Condominium will have to pay any real estate taxes.

b. Franchise and Corporate \$25.00

The Condominium will be required to pay taxes to city and state agencies annually. The accountant estimates that only minimum Federal, State, and City income taxes will be due.

*Information on franchise and corporate taxes was provided by:
Gregg T. Iliceto, CPA, LLC, 3041 Veterans Road West, Ste. 3, Staten Island, NY 10309*



7. Reserves for Maintenance and Replacement: \$1,650.00

The reserve fund is intended to provide for the maintenance and eventual replacement of common areas such as the building exterior and roof. It is the opinion of Sponsor that, because the building is new construction and many items will be covered under warranty, the reserve fund should be sufficient to pay for capital repairs or replacement items needed within the first five years of condominium operation. This amount is a good faith estimate and is not a guarantee of conditions that may occur during the five years. This fund may not be sufficient to cover extensive or extraordinary repairs caused by an unexpected change in conditions.

*Information on common area electric usage and corresponding costs was provided by:
Dome Property Management, Inc. 109 Winant Place, Staten Island, NY 10309*

8. Other: \$ 250.00

a. Labor \$0.00

The condominium will not have a building superintendent or handyman and there will be no full or part-time staff. If the Board of Managers elected by the Unit Owners decides to retain a part-time superintendent or handyman in the future, it is estimated that the cost would be no less than \$300.00 per month (\$75.00/week), or \$3,600.00 per year. This amount will vary based on the scope of duties and services provided.

The condominium board or the unit owners will be responsible for functions customarily performed by a janitorial service, such as sidewalk maintenance, including shoveling in the winter, proper refuse disposal for collection by the Sanitation Department, common area cleaning, replacing light bulbs and other light maintenance work required.

Note that the lack of staffing does not violate any applicable housing and labor laws, including but not limited to Administrative Code of the City of New York § 27-2052, et seq., because it contains fewer than 9-units. The Sponsor will provide management and maintenance services, including 24/7 on-call service for emergency repairs, as well as bookkeeping and hiring of maintenance staff, at Sponsor's sole cost and expense during the Sponsor Period of Initial Control. Thereafter, the board of managers may elect to hire an independent professional managing agent to manage and/or a part-time superintendent to supply cleaning and maintenance services for the condominium. The hiring of a professional managing agent and/or a part-time superintendent, and the attendant fees, will cause an increase in the expenses of the condominium budget and result in higher common charges for the unit owners.

b. Administrative Expenses \$ 50.00

Administrative costs cover photocopying, faxing and postage, as well as messenger services as required.

c. Contingencies, Petty cash \$ 200.00

The contingency provides a fund for expenses not included in the projected budget, or possible increases in one or more categories of operating expense beyond projected amounts. There is no assurance that such fund will be sufficient to pay for major capital repairs or replacement items that may be needed within the first year of the Condominium's operation. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all unit owners.

*Information on common area electric usage and corresponding costs was provided by:
Dome Property Management, Inc. 109 Winant Place, Staten Island, NY 10309*

THE FOREGOING "SCHEDULE B" IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY THAT THE ANNUAL COMMON CHARGES OR EXPENSES FOR THE INITIAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, OR THAT THE FIRST YEAR OF THE CONDOMINIUM'S OPERATIONS WILL COMMENCE ON THE PROJECTED DATE.



FOREST HILL WEST CONDOMINIUM

Schedule B-1

PROJECTED BUDGET FOR INDIVIDUAL ENERGY COSTS FOR THE FIRST YEAR OF OPERATION FROM October 1, 2025 TO SEPTEMBER 30, 2026

Unit Type	Approx. Gross Square Feet	Number of Bdrms Bthrms	Gas Cost Footnote 1	Electric Cost Footnote 2
1A	1,871	3 3.5	2,912	3,010
1B	1,871	3 3.5	2,912	3,010
2A	1,871	3 3.5	2,912	3,010
2B	1,871	3 3.5	2,912	3,010

1. The projected cost for gas for hot water, heating and cooking are estimates and not guaranteed. Actual costs may vary depending on use by the individual Unit Owner. Projected costs are calculated based on the size of the respective unit. These figures are based on an estimate, dated February 28, 2025, prepared by Sponsor's expert A.J. Caruso Electric, 4392 Victory Blvd, Staten Island, New York.

2. The projected cost for electric for lighting and appliances are estimates and not guaranteed. The projected cost for electric may vary significantly for each individual Unit Owner due to several factors such as size, occupancy and habit. Thus, actual costs may vary depending on use by the individual Unit Owner. These figures are based on an estimate, dated February 28, 2025, prepared by Sponsor's expert A.J. Caruso Electrical, Inc., 4392 Victory Blvd, Staten Island, New York.

Due to the current volatility of the oil market, it must be expected that the above rates may increase through time. In view of the fact that these averages include use of energy by residents of varying needs, the amount of gas and electricity used by the Purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, gas shortages and other factors may raise the cost of gas and electricity substantially higher than current or projected rate.

NOTES FOR SCHEDULE B-1

- Each unit owner will be responsible for the costs of gas and electricity supplied to their unit. The building contains separate gas and electric meters for each of the units. Charges for each unit will be payable directly to the utility company.
- The above information is based upon a survey of rates currently being charged (a) for natural gas by National Grid, and (b) for electricity by Con Edison. The buildings will use natural gas for heating and hot water and electricity for all other power needs. Estimated costs vary based on the location and area of the units. The estimated electricity costs are based on current Con Edison rates, plus sales tax and a 5% inflation factor. This assumes thermostat settings of 70 degrees for 16 hours (day) and 60 degrees for 8 hours (night).
- The estimated costs are subject to change based on changes in National Grid and Con Edison rates.
- Water and sewer charges will be assessed in the common charges based on the master water meters for the buildings.

Although the Sponsor believes that the foregoing is accurate, no warranty or guarantee is being made by the Sponsor, the managing agent or any other person or entity as to what the separately metered electricity, gas and Water and Sewer costs may be.

V. Compliance with RPL 339(i)



DOME PROPERTY MANAGEMENT, INC.
109 WINANT PLACE
STATEN ISLAND, NY 10309

(718) 605-2500
FAX (718) 605-2654

April 1, 2025

Michael M. Amtzis, Esq.
Michael M. Amtzis, Esq., PLLC
2040 Victory Boulevard
Staten Island, New York 10314

Re: **FOREST HILL WEST CONDOMINIUM**
Allocation of Common Interests

Dear Mr. Amtzis:

You have requested our opinion with respect to the allocation of Common Interests to the condominium units in the above referenced condominium as required by NYCRR Section 20.3(i).

We have reviewed the allocation of Common Interests as shown in Schedule A of the Offering Plan and in the Declaration of Condominium contained in the Offering Plan. We have also considered the relevant provisions of the New York Condominium Act and the measurements of floor areas on the floor plans prepared by Joseph M. Morace, A.I.A. Architect. We have made no independent investigation of those measurements.

Based on our review of the foregoing, we have determined that Common Interests are allocated pursuant to the method set forth in Real Property Law Section 339-i(1)(ii), i.e., based on the approximate proportion that the floor area of each Unit bears to the aggregate floor area of all the Units, reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements.

We are licensed real estate brokers and have been engaged in the sale and management of condominiums for over 25 years.

We do not have any beneficial interest in the Sponsor or the Property but may be entitled to management fees from the Condominium

Very truly yours,

Dome Property Management Inc.

Michael Motelson

VI. CHANGES IN PRICES AND UNITS

The Units will be offered for sale at the asking prices reflected in Schedule A, plus the prices of any options selected by purchasers. The Schedule A offering prices may only be increased or decreased by a duly filed amendment to the plan when the change in price is an across-the-board change affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual purchaser.

Prices and specified terms of sale are negotiable, and the sponsor may enter into an agreement with an individual purchaser to sell one or more units at prices lower than those set forth in Schedule A without filing an amendment.

No change in the price of a Unit will vary the estimated annual Common Charges for that Unit or its percentage of interest in the Common Elements. Pursuant to this paragraph, purchasers may pay different prices for similar interests.

The Sponsor also reserves the right to substitute for any of the materials specified in Part II Description of Property, materials of equal or superior quality in the construction or design of the Condominium due to the unavailability of materials or as may be authorized, approved, or required by the lending institution or municipal authorities having jurisdiction thereover.

No changes will be made in the size or number of Units, and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the plan and, when applicable, to the declaration

Unless an affected purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to Sponsor for that Unit and the purchaser is not in default.

Unless all purchasers consent, no material change will be made in the size, and no material adverse change will be made in the quality of common elements.

VII. INTERIM LEASES

The sponsor will not grant any interim leases to purchasers prior to closing on a unit unless this offering plan is amended to permit interim leases.

Sponsor will endeavor in good faith to sell all units.

VIII. PROCEDURE TO PURCHASE

A. PROCEDURE

Any person may accept Sponsor's offer to sell the Units by entering into a Purchase Agreement with the Sponsor. The agreement provides that the purchaser will purchase from the Sponsor a designated Unit in the Condominium described in the Declaration creating such Condominium.

Purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven (7) days after the execution of the Purchase agreement to rescind the purchase agreement.

Upon signing the Purchase Agreement, the purchaser shall make a down payment of 10% of the total price of his Unit (or such lower amount that Sponsor will accept) plus the cost of special work ordered by the Purchaser, if any. At the closing, upon full payment of the purchase price in cash or by mortgage, the purchaser will receive a bargain and sale deed with covenant against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and insurable title of fee ownership in the Unit and such percentage of common interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in the Plan. The purchase agreement may be modified with the consent of the purchaser and the Sponsor in a manner not inconsistent with law, subject to the terms of the Plan.

Prospective purchasers must sign three (3) duplicate original purchase agreements and forward them along with the down payment to Sponsor's attorney (or such lower amount that Sponsor will accept). Within fifteen (15) days after a purchaser delivers the executed purchase agreements together with the required deposit, the sponsor must either accept the purchase agreement and return two fully executed counterparts to the purchaser or reject the purchase agreements and refund the full deposit previously tendered. If the Sponsor takes no action within the above time period, the purchase agreement shall be deemed rejected.

B. THE ESCROW FUNDS

1. The Escrow Agent:

The law firm of Joseph A. D'Amico, Esq. with an address of 114 Seguire Avenue, Staten Island, New York 10309, telephone number (718) 984-3100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Joseph A. D'Amico, Esq. The designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatory on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. The Escrow Account:

The Escrow Agent has established the escrow account at Northfield Bank located at 6420 Amboy Road, Staten Island, New York 10309, in the State of New York ("Bank"), a bank authorized

to do business in the State of New York. The Escrow Account is entitled "Joseph A. D'Amico, Esq., Attorney Trust Account for Forest Hill West Condominium" ("Escrow Account"). The escrow Account is an IOLA Account. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit more than \$250,000 will not be insured unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

The Sponsor shall comply with the escrow and trust fund requirements of GBL Sections 352-e(2-b) and 352-h and the regulations related thereto, and all funds paid by purchasers shall be handled in accordance with these statutes and regulations.

All deposits, down payments or advances received from Purchaser shall be in the form of checks, drafts, money orders, wire transfers, or other instruments, and shall be made payable to the order of Joseph A. D'Amico, Esq. as Escrow Agent.

Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement or a written agreement between the Purchaser and Sponsor.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. The account is an Interest-On-Lawyers-Account (IOLA). All interest earned thereon is paid to the IOLA fund administered by New York State. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

3. The Escrow Agreement:

The Escrow Rider to the Purchase Agreement is attached to the form of Purchase Agreement as Exhibit A in Part II of the Plan. The Escrow Rider must be executed by the Sponsor, Purchaser and Escrow Agent.

4. Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number, and, if the Deposit is not placed into an IOLA account, the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account and released in accordance with the terms of a written agreement between the Purchaser and Sponsor.

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, Purchaser may cancel the Purchase Agreement within ninety (90) days after the 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.

5. Release of Funds:

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of 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 the terms and conditions set forth in the Purchase Agreement, closing of title to the Unit; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and the 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 shall not object to the release of the Deposit to:

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

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

6. Waiver Void

Any provisions of any Purchase Agreement or separate agreement whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GB1_, sections 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement. Plan or any amendment thereof.

C. GENERAL TRUST FUND PROVISIONS

(a) The escrow agent shall maintain all records concerning the escrow account for seven (7) years after the release of the funds. Upon the dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by the successor firm and shall notify the Department of Law of such transfer.

(b) Nothing contained herein shall diminish or impair the sponsor's statutory obligation to each purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser. Consummation of the plan does not relieve Sponsor of its obligations pursuant to GBL 352-h. Funds from the escrow account remain the property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the Sponsor or the escrow agent upon any bankruptcy, incapacity or death.

(c) Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan will be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow terms as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

D. MISCELLANEOUS PROVISIONS CONCERNING PURCHASES

(1) The purchase agreement and the offering plan must comply with Section 71-a (3) of the Lien Law and any other applicable provisions of law.

(2) If the purchaser defaults under the terms of the offering plan and purchase agreement, Sponsor, in addition to retaining as liquidated damages the purchaser's contract downpayment up to 10% of the purchase price as a remedy, Sponsor may also retain any additional money paid for the actual cost of special work ordered by the purchaser, if the special work has commenced or it has been ordered and is non-refundable or is not cancelable. Sponsor will accept these funds as liquidated damages and not seek specific performance.

(3) The Sponsor anticipates that the first closing of a unit will occur by October 1, 2025. Purchasers will be offered a right of rescission if: (i) the actual closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than September 30, 2026, twelve (12) months after the projected date for the first unit closing. If the Plan is amended to provide a later projected date

for the first unit closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended later date.

However, if the first unit closing occurs before October 1, 2025, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside date, the Sponsor is not obligated to schedule your closing within any specified time frame or ensure the closing of title 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.

(4) 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 shall be served no less than thirty (30) days before the date set for the closing of the units. Sponsor may permit purchasers to waive this thirty (30) day provision by including such waiver in this plan or in an amendment thereto.

(5) The Sponsor is obligated to make written demand for payment after default by purchaser and afford the purchaser a thirty-day period to cure said default prior to the purchaser forfeiting any money paid under the purchase agreement.

As set forth in the Purchase Agreement under Section 12 Default of Purchaser, TIME IS OF THE ESSENCE. As explained under that section, the dates set forth for the Purchaser to fulfil certain obligations under the Purchase Agreement are fixed and there are potential penalties if those dates are missed. Please review that section for details.

The phrase "time of the essence" means that the deadlines set forth in the purchase agreement are extremely important and that failure by the purchaser to meet those deadlines are considered material breaches of the purchase agreement which could result in the purchaser forfeiting his or her down payment and/or being penalized in some fashion.

(6) The purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven (7) days after the execution of the Purchase agreement to rescind the purchase agreement.

(7) The risk of loss from fire or other casualties remains with the Sponsor until legal title to the unit has been conveyed to the purchaser. This risk of loss extends to the common elements, including limited common elements. The Sponsor is obligated to repair insubstantial damage from a casualty or other cause that occurs to a unit before closing. In the event the damage is excessive and renders the unit uninhabitable, the Sponsor will notify the purchaser within thirty (30) days of discovering the damage whether or not the damage from the substantial casualty will be repaired. If the damage is repaired, the purchaser will be afforded an opportunity to inspect the repairs prior to the closing of title. If the substantial damage will not be repaired, the purchaser has a right to cancel the purchase agreement, and the down payment will be refunded to purchaser within five (5) business days of notice of cancellation.

(8) The purchasers shall sign a power of attorney to the Board of Managers of the Condominium on the form provided in Part II of the Plan. This power shall be executed at the closing of title to the unit purchased by the purchaser and recorded simultaneously with the Deed to said unit. The power of attorney located in Part II, Section B of this Plan authorizes the Board of Managers to act

on behalf of the purchaser to acquire and sell or lease a unit which is abandoned or the subject of a foreclosure sale.

(9) Any conflict between the plan and the purchase agreement will be resolved according to the terms of the plan.

(10) The purchase agreement and plan may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligations under Article 23-A of the GBL.

(11) The Sponsor will not permit the assignment or transfer of purchase agreements, without Sponsor's express prior written consent, which may be withheld or delayed at Sponsor's discretion.

(12) In the event the sponsor is not able to close title within 12 months of the projected date of commencement of the first year of operation, purchasers will be offered rescission.

MORTGAGE CONTINGENCY

Purchaser's obligation to purchase is subject to and contingent upon purchaser obtaining a conventional first mortgage in an amount up to 80% of the purchase price to run for a period of 30 years, to bear interest at the prevailing rate at the time of closing or as otherwise provided in the loan commitment and to be payable in monthly installments which may include amortization of principal, interest, taxes water rates, private mortgage insurance fee, fire and other hazard insurance premiums, and such other provisions as may be required by the lending institution.

Purchaser agrees to make a diligent, truthful and proper application to a lending institution within ten (10) days after receipt of a fully executed copy of the contract and shall have forty-five (45) days from the signing of the contract to obtain a mortgage commitment. The Seller may extend the time period for up to an extra sixty (60) days, unless otherwise agreed to with the Purchaser.

Once a bank commitment is issued, purchaser will be required to use due diligence in obtaining any and all extensions necessary to maintain such commitment in force, notwithstanding that such extension may be at a higher interest rate or required payment of additional fees or include other charges. Failure to maintain such commitment will constitute a default under the purchase agreement.

The mortgage contingency can be deemed fulfilled and the contract binding on the Purchaser, despite the existence of outstanding conditions under the mortgage commitment. The risk of complying with all conditions of the commitment in sufficient time to be able to close title on the date set forth in the Sponsor's notice of closing is exclusively on the Purchaser. See page six of the Purchase Agreement in Section A of Part II.

If the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, the Sponsor will grant the purchaser a right of rescission and a reasonable period to exercise the right.

Note that 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 commitment after the contingency period expires, performance is excused, and sponsor must grant to such purchaser a right of recission and a reasonable period to exercise such right.

The purchaser shall notify the Sponsor within five (5) business days of the receipt by Purchaser of approval or disapproval of the mortgage application. If the mortgage application is not approved, the Sponsor will refund the down payment and unexpended sums for special work ordered and paid for by the Purchaser within ten (10) days of receiving notice of such non approval.

In the event the Purchaser submits a second mortgage application after the above non approval, the Purchaser agrees to pay all fees and charges imposed by the second lending institution for the mortgage application.

IX. EFFECTIVE DATE OF PLAN

Sponsors' offer to sell is contingent upon the plan being declared effective and compliance with the relevant conditions and time periods hereinafter set forth.

The closing of the first unit by the sponsor may not occur before the plan is declared effective.

The plan shall be declared effective by personal service of notice on each purchaser or by commencement of service by mail in the manner required by 13 NYCRR section 20.1(d) stating that the Plan was declared effective on a particular date, the percentage used to declare the plan effective, and a list of the units counted to meet the minimum percentage under the terms of the plan to declare it effective.

A closing may occur without the sponsor's submitting an amendment to the Department of Law to declare the plan effective; however, the sponsor must comply with the requirements of 13NYCRR 20.5(e) when submitting a post-closing amendment pursuant to 13 NYCRR 20.5(f).

The plan may not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least 15% of the units offered under the plan..

The Plan will not be declared effective based upon purchase agreements:

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

(b) if the purchaser was not afforded (i) not fewer 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 promptly or (ii) not fewer than three (3) business days to review the offering plan and all filed amendments prior to executing a purchase agreement. See Section 20.3(o) (15) of the regulation); or

(c) with any purchaser who is the sponsor, the selling agent, or the managing agent or is a principal of the sponsor, the selling agent or the managing agent or is related to the sponsor, the selling agent or the managing agent or to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal

of the sponsor may be included if the sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

The plan must be declared effective when purchase agreements have been accepted by sponsor for 80% of the units offered under the plan.

The plan may be abandoned by the sponsor, at its option, before it is declared effective. If the offering plan is to be abandoned after filing and the sponsor has accepted purchase agreements, the sponsor shall promptly submit an amendment to the Office of the Attorney General together with form RS-3 as promulgated by the Office of the Attorney General. If payments under purchase agreements have been received, the amount of such funds and the manner and time when such 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. If there are no outstanding purchase agreements, the sponsor need not submit an amendment but shall, instead, submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the sponsor on all commercial or professional tenants, if any.

After the plan is declared effective in the manner described above and an amendment is submitted to the Department of Law disclosing same, Sponsor also agrees to submit to the Department of Law, if requested, copies of all purchase agreements (and any amendments or modifications) within five (5) business days after the request is made.

The sponsor may not abandon the Plan after the effectiveness amendment is filed for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than \$5,000, or (ii) substantial damage or destruction of the buildings by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

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.

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may close, sponsor will re-declare the plan effective if all purchaser agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded.

X. TERMS OF SALE

The form of deed to be delivered to a Unit owner at closing of title to his unit shall be a bargain and sale deed with covenant against grantor's acts in proper form for recording. The form of unit deed is contained in Part II of the Plan.

Closing of title is the actual transfer of ownership of the condominium unit by Sponsor to the purchaser following the contract of sale. Purchaser will receive not less than thirty (30) days' written notice by Sponsor prior to the closing date.

Title to each Unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances, and title exceptions other than those described in this plan and the proposed unit deed.

The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's Unit. In the event the damage is extensive and renders the Unit uninhabitable, either the Sponsor or the purchaser may cancel the contract of sale and receive a full refund of the down payment. The Sponsor will notify the Purchaser within thirty (30) days of discovering the damage whether the damage from the casualty will be repaired.

A date for the closing of title will be set by the Sponsor in accordance with the Purchase Agreement. The closing of title to the first Units is expected to commence on or about October 1, 2025. Closings will only take place after or simultaneously with the happening of the following events:

1. The issuance of a Permanent Certificate of Occupancy to the Unit or Building in which the Unit is located and any other necessary permits or certificates.
2. The Sponsor has not obtained a construction loan. In the event the sponsor obtains a construction loan in the future and that mortgage or construction loan is not satisfied at or prior to the closing of the first Unit, at the time of conveyance of the first Unit each mortgagee will either (i) subordinate the lien of its mortgage to the declaration of condominium; (ii) release its lien on the condominium unit being conveyed and its interest in the appurtenant common elements, or (iii) consent to the formation of the condominium and acknowledge that its lien will be limited to unsold condominium units .
3. Recordation and filing of the Declaration, By-Laws, floor plans for the Condominium and such other documents as required by law, in accordance with the New York Condominium Act or applicable state and local law in the office of the County Clerk of Richmond County, New York.
4. As required by Real Property Law Section 339-r, the discharge or partial release duly recorded of all liens affecting the unit to be closed except any mortgage requested by the purchaser at the time of closing representing a mortgage taken by the purchaser.
5. The purchaser being served with a written notice of the closing date at least thirty (30) days in advance and opportunity to inspect the unit and other property subject to the declaration.

6. Submission to the Department of Law of an Amendment of the plan by Sponsor to disclose that the plan has been declared effective and to confirm that any units to be closed have been constructed in accordance with any applicable plans and specifications and sponsor has complied with the requirements of the applicable regulations.

7. The purchaser shall execute an instrument in the form provided in Part II of this offering plan designating the Board of Managers as his or her attorneys in fact, coupled with an interest for the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any units acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and for purposes consistent with the implementation of the offering plan.

8. Purchaser or the Board of Managers shall receive subcontractors' warranty certificates for heating, plumbing, roofing and appliances relating to the purchaser's Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties are assignable.

9. If so requested by the purchasers, a title insurance company licensed to do business in New York State shall agree to insure that such purchaser has good and insurable fee title in the Unit, free and clear of all liens and encumbrances except those set forth in the offering plan, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law. The title company will affirmatively ensure that none of the easements, covenants and agreements affecting title to the unit will affect the use of the premises as a condominium.

The declaration, by-laws, floor plans and other documents will be recorded in accordance with the New York State Condominium Act. These documents will be recorded in accordance with all applicable laws before the first closing.

The Unit Owner, at his option, may purchase title insurance covering his interest in the Unit. Title to the Unit will be subject to the following:

(1) State of facts of the property as shown on a survey and any additional state of facts which a subsequent survey would show provided such additional state of facts would not render title unmarketable.

(2) Sewer, water, drainage, electric, plumbing, heating, gas telephone, cable television and other utility easements or consents, if any, granted or which may be granted hereafter.

(3) All the terms, covenants and conditions of the Declaration, the By-Laws, and the Building Plans as filed or recorded and the Offering Plan and amendments thereto.

(4) All easements set forth in the By-Laws and the Declaration as they are subsequently recorded and in the Offering Plan and Purchase Agreement including:

(a) Easements in favor of the Owners of other Units to use the pipes, wires, conduits, cable television and public utility lines located in the Common Elements or in the Units itself servicing such other Units and easements of necessity in favor of the other Units and/or the common elements.

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

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

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

(e) Easements in favor of the Sponsor for sale and construction purposes.

(5) Covenants, restrictions, easements, charges and liens applicable to the Condominium and the Common Properties upon the filing in the Richmond County Clerk's office, prior to the transfer of title to the first Unit, of the Declaration of Covenants, Restrictions, Easements, Charges and Liens governing the Properties together with the By-Laws annexed to and made part of said instrument.

The Sponsor has been advised by its counsel that in Counsel's opinion, none of the exceptions to title hereinabove set forth are contrary to the terms of the Purchase Agreement, nor do they interfere with the quiet use and enjoyment of the purchaser's Unit as represented in this Offering Plan,

(6) All personal property located within the unit on the date the purchase agreement is signed or located within the common elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless specifically excluded in this offering plan or in the Purchase Agreement.

XI. UNIT CLOSING COSTS AND ADJUSTMENTS

At the time of title closing, the Purchaser will pay the following costs and expenses which rates are as of the date of this plan and subject to change without notice. The closing costs for a typical unit sale of \$888,888.00 are approximately the following:

(a) Title insurance	\$3,858.00	(1)
(b) Recording deed	175.00	(2)
(c) Recording POA	150.00	(2)
(d) State and City Transfer Tax	16,506.00	(3)
(e) Recording Mortgage	150.00	(2)
(f) Mortgage Title Insurance	801.00	(1)
(g) Bank charges	2,500.00	(4)
(h) Mortgage tax*	13,689.00	(5)
(i) Capital contribution	1,800.00	(6)
(j) Endorsements to Title	100.00	
(k) Searches and misc.	650.00	
(l) <u>Sponsor legal fee</u>	500.00	
TOTAL	\$40,879.00	

The above mortgage costs are based upon an 80% (*\$711,100.00) thirty-year mortgage and do not include such things as percentage points or mortgage broker fees if applicable.

- (1) The title and mortgage insurance are based upon statutory charts which control the amount of these expenses. The charge is based upon the size of the purchase price and the size of the mortgage.

The chart used to determine the rates is as follows;

On policies up to \$35,000.00, the title insurance is \$382.00, and the mortgage insurance is

\$327.00. Above \$35,000 for each \$1.000 or part thereof add as follows:

Up to	owners	mortgage
35,001-50,000	\$6.34	\$5.27
50,001-100,000	5.16	4.31
101,000-500,000	4.14	3.46
500,001 1,000,000	3.78	3.14

When owners and mortgage policies are being issued pursuant to the same closing, the mortgage policy shall be issued at a reduced rate known as the simultaneous mortgage rate. A simultaneous mortgage policy is charged at 30% of the applicable mortgage rate up to the amount of the owner's policy.

The purchasers are free to use the title insurance company of their choice at no additional fee from the sponsor.

(2) The recording fees are standard charges imposed by the Richmond County Clerk's office to record the various papers which must be on file in the Clerk's office.

(3) As noted as special risk #3 on page (i) the purchaser will be required to pay the transfer taxes which are ordinarily a seller expense. The fee imposed upon a purchase of less than \$500,000 is 1.000% to New York City and .4% to New York State. Tax imposed on transfers above \$500,000 is 1.425% to New York City and .4% to New York State.

This tax is a flat tax based upon the sales price. The following is an example:

Sales price	City Tax	State Tax	total
\$ 750,000	at 1.425%=10,687.50	at .4%=3,000	\$13,687.50
\$ 775,000	at 1.425%= 11,043.75	at .4%=3,100	\$14,143.75
\$ 800,000	at 1.425%=11,400.00	at .4%=3,200	\$14,600.00
\$ 825,000	at 1.425%=11,756.25	at .4%=3,300	\$15,056.25
\$ 888,000	at 1.425%=12,666.65	at .4%=3,556	\$16,222.65

Where the Purchaser pays transfer taxes which are ordinarily a Seller's expense, the taxing authorities consider such tax paid an additional consideration. The actual transfer tax due is based upon the "grossed-up" selling price which includes the City and State transfer tax as additional consideration for the City transfer tax, and the City transfer tax as additional consideration for the State transfer tax. The chart on the previous page includes the "grossed-up" amount.

(4) In the event a purchaser does obtain a mortgage to purchase a unit, there will be various bank charges. The bank charges will vary depending upon the type of loan and the requirements of the lending institution involved. They include bank attorney fees and such things as inspection and processing fees.

As an example:

Mortgage	percentage tax	Tax
\$600,000	2.175%	\$13,050.00
\$625,000	2.175%	\$13,593.75
\$650,000	2.175%	\$14,137.50
\$675,000	2.175%	\$14,681.25
\$711,100	2.175%	\$15,466.25

(5) The mortgage tax which is payable by the purchaser is 2.175% of the mortgage and is imposed by statute. The figure provided above is based upon a \$711,100.00 mortgage which will change if the mortgage amount is changed. Additionally, the figure provided above is also based on 0.25% being paid by the Purchaser's lender, if applicable.

Furthermore, purchasers obtaining mortgage loans may be required to escrow with the mortgagee sufficient monies to pay the real estate taxes, insurance, sewer, water, or other items next coming due (the amount of such escrow cannot now be determined and will depend on the number of months remaining, between the closing of title and the date these amounts are next due to be paid and the estimated amounts then payable, as well as the discretion of the mortgagee).

To the extent the above escrow is not required by a purchaser's mortgagee, or if purchaser does not have a mortgage, if units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor must 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 or until the units are separately assessed, whichever is shorter. The Board of managers will pay the real estate taxes from the escrow account when taxes are due and payable, and the sponsor is entitled to a pro rata reimbursement from unit owners.

(6) Purchasers shall also be required to pay \$1,800.00 as working capital. This amount shall be used to reimburse the sponsor for any prepaid expenses of the Condominium, if any. The working capital shall be turned over to the Board of Managers at each closing of unit owners. This working capital will not be used to reduce common charges. It is anticipated that there will be a surplus working capital after the sponsor's reimbursement of prepaid expenses. It is impossible currently to estimate the amount of such surplus.

For individuals seeking mortgages in excess of 80% of the sales price, private insurance may be necessary at additional costs, which may include 1/2% of the mortgage at closing plus 1/4% each year until the mortgage principal reaches the level of 80% of the purchase price.

The Seller may at some point have a construction loan on the premises. According to the provisions of Real Property Law 339-ee, credit will be allowed towards a purchase money mortgage for part of the mortgage tax imposed. Purchaser shall reimburse Seller to the extent of such credit at the closing of title.

Purchasers shall reimburse Seller's attorney at closing the sum of \$500.00 for document review and preparation.

Purchaser also agrees to pay at closing \$850.00 for the preparation of a survey, if requested, and \$850.00 for the installation of a water meter, if the Unit has its own water meter.

Although the responsibility to pay transfer taxes is statutorily the obligation of the Sponsor, the transfer taxes are paid by the Purchaser under this Offering Plan and the Purchase Agreement. New York City considers this payment by purchaser as an additional consideration upon which transfer tax is due. The figures at the beginning of this section are based upon such "gross-up" consideration. If such "grossed-up" consideration exceeds \$1,000,000 by virtue of the purchaser's payment of the state and city transfer taxes, the mansion tax will apply, which tax is currently one percent (1%) of the consideration paid when the consideration is \$1,000,000.00 or more, which tax by law is the obligation of the Purchaser.

The Purchasers are free to use the title insurance company of their choice at no additional fee charged by Sponsor.

As set forth in the purchase agreement in Part II of this plan, real estate taxes, water and sewer charges, and common charges and such other adjustments as agreed to in the purchase agreement will be apportioned to the date of closing. Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party after discovery, which obligation shall survive

the closing. If real estate taxes for the units have not been separately assessed, the Sponsor will pay all open real estate taxes and receive reimbursement from the unit owner at the time the individual assessments are made.

At the time of the transfer of the condominium to the unit owners, the sponsor and the condominium shall adjust certain items such as insurance, open water and sewer charges, and any prepaid Schedule B items. The post-closing amendment will state the amount of tax escrow that the sponsor has deposited with the board.

If the units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the 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 the unsold units for such six-month period and may collect at each closing the estimated amount of taxes attributable to such unit for the balance of the six-month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable, and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment.

The amount of the real estate tax escrow, if any, shall be disclosed in the initial post-closing amendment to the offering plan.

XII. RIGHTS AND OBLIGATIONS OF SPONSOR

The sponsor shall be obligated to perform the following:

1. Sponsor intends to sell all units offered in Schedule A and will endeavor in good faith to sell all the units in a reasonably timely manner.
2. Sponsor is obligated to defend any suits or proceedings arising out of sponsor's acts or omissions and to indemnify the board of managers and the Unit owners.
3. All representations under the offering plan, all obligations pursuant to the General Business Law, and such additional obligations under the offering plan which are to be performed after the closing date, will survive delivery of the deed.
4. Disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation may not be included. The plan may not include any financial limitation on sponsor's liability for failure to perform its obligations under the offering plan.
5. The Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold Units. The Sponsor will fund its obligations with funds on hand. No bond or other security has been furnished to secure Sponsor's obligations.
6. Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's Unit. This obligation includes damage to the unit, the common elements, and the limited common elements. If there is substantial damage to the structure housing the unit, the purchaser may withdraw from the contract and receive the return of his down payment plus the unexpended amount paid for upgrades. If the damage is substantial, the Sponsor will notify the Purchaser within thirty (30) days of discovering the damage whether the damage from a casualty will be repaired. If Sponsor elects to repair the damage, it will be done as promptly as possible, and the unit/common elements will be restored to substantially the same condition as prior to the casualty.
7. Sponsor shall procure fire and casualty insurance pursuant to a replacement value policy or in an amount sufficient to avoid coinsurance as reflected on Schedule B.
8. In the event of the dissolution or liquidation of the Sponsor, or the transfer of two or more units in the condominium to a single purchaser, 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 and regulations.
9. The Sponsor has not obtained any construction financing. There are no plans by sponsor to obtain a construction loan. If there is an acquisition loan on the premises, it will either be paid off at the first closing or released at the unit closing. The acquisition loan used to acquire the property has no construction-related requirements.

10. The Sponsor is obliged to build and complete the condominium in accordance with the building plans and specifications identified in the plan with the right of sponsor to substitute equipment and materials and make modifications of layout and design, provided however, that sponsor may not:

- (i) substitute equipment or materials of lesser quality or inferior design; or
- (ii) change the size, location of buildings or units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners and contract vendees consent in writing to such change.

Sponsor has a right of access to complete construction of the condominium. It is obliged to repair any damages caused as a result of its work if notified during the warranty period. Sponsor will not interfere with unit owner's reasonable use of their unit during any work period. However, there may be a temporary limitation as to the use of the public areas and common areas.

11. Prior to closing the first Unit, sponsor must obtain a Permanent Certificate of Occupancy for the Unit or the Building in which the Unit to be closed is located.

12. Sponsor agrees to indemnify the Condominium Board and the Residential Unit owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of ANY ACTS OR OMISSIONS BY SPONSOR, or any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan, and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law or of ACTS OR OMISSIONS BY SPONSOR or as explicitly stated in this Plan,

13. Effective March 1, 1989, a law went into effect which grants buyers of most newly constructed units a Housing Merchant Implied Warranty. (General Business Law Article 36-B Section 777, 777-a and 778-b).

The following is a summary of that law. The full text of the law appears in Part II of the Plan in Section G.

1. Housing effected: Newly constructed single-family homes and cooperative and condominium units in buildings five stories or less.

2. Coverage:

(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 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.

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

3. Not covered:

(a) A defect not caused by defective workmanship, materials, or design.

(b) A patent defect which was obvious or would have been obvious upon inspection.

(c) Defects in items sold with the home, such as stoves, refrigerator, air conditioners, etc.

There are implied warranties from the manufacturers of such goods which are described in other laws.

4. Notice: Buyer must give notice of warranted against defects in their home in writing no later than 30 days after the end of the applicable warranty period.

5. Limitation of the Warranty: The Housing Merchant Implied Warranty can be limited. However, the limited warranty cannot permit construction which is below code or below locally accepted building practices, and the limited warranty time periods cannot be shorter than those described above. The Sponsor has limited the warranty as indicated following the purchase agreement in part II Section A of this plan.

The limited warranty in summary limits the Sponsor's liability to 75% of the purchase price set forth in the purchase agreement. The warranty also does not cover consequential, incidental, special, or indirect damages except as required by law.

The limited warranty specifically identifies the builder's responsibility for defects of a latent or hidden nature and specifically excludes all other warranties of every kind, express and implied on the construction and sale of the home, its workmanship and materials and its fitness for use and habitability.

The Sponsors warranty obligations reflect the above law. For a fuller explanation of such warranty see the Limited Warranty which follows the Purchase Agreement located in Part II Section A of this Plan and the full text of the law at the end of this Plan.

The Housing Merchant Implied Limited Warranty applies to the common elements as well as to the individual units.

In addition to the above warranty, the roof will have a ten (10) year warranty on materials provided by the manufacturer and a two (2) year warranty on workmanship provided by the Sponsor.

14. At or prior to the closing of the Unit, sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit owner and assign any warranties with respect to any equipment and appliances installed in the common elements to the board of managers.

15. Sponsor agrees to pay for the authorized and proper work involved in the construction and establishment and sale of the condominium that sponsor is obligated to complete under the plan and will cause any mechanics liens with respect to such construction to be promptly discharged or bonded.

16. Sponsor shall deliver a set of "as-built" plans to the Board of Managers following completion of construction.

17. No bond or other security other than those required by this Part has been furnished to secure sponsor's obligations including sponsor's obligations to complete construction of condominium.

18. Sponsor has a right of access to complete construction of the condominium. It is obliged to repair any damage caused as the result of its work if notified during the warranty period in the manner set forth above. Sponsor will not interfere with Unit owners' reasonable use of their unit during any work period. Prior to exercising such unit access right, Sponsor shall give the owners of a Unit in which access is sought at least 24-hour notice by email and/or telephone if purchasers provide same upon request.

The common areas and public areas of the development include the on-site common sanitary sewer and storm water drainage system. During the completion of construction access to these areas may be partially blocked due to completion of utilities, landscaping or concrete surfacing. Such construction will not affect access to individual units.

19. Purchaser shall carefully inspect the Unit prior to closing of title and execute at such time an inspection statement. If Purchaser finds that Sponsor's improvements have not been completed, the Sponsor and the Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by the Sponsor following closing of title (punch list items). All punch list items shall be corrected within thirty (30) days of closing unless otherwise noted on the punch list. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a permanent certificate of occupancy covering the Unit or work covered by the Housing Merchant Implied Warranty. In no event shall a purchaser be required to close if there are punch list type items of a material nature which remain to be completed.

XIII. CONTROL BY THE SPONSOR

Until the first annual meeting of the Condominium, the Board of Managers shall consist of three (3) people designated by Sponsor. Accordingly, until such first annual meeting, Sponsor will have absolute voting control of maintenance, facilities, and services to be provided, as well as determining the common charges to be paid by unit owners. Sponsor shall relinquish voting control of the Board upon the earlier of (i) the transfer of at least 75% (3 units), or two years after the first unit closing. Sponsor, during the time there are unsold units, will have the right to, and intends to, vote, but after its relinquishing voting control to the Board, Sponsor will not use such vote to elect a particular individual to the Board which would, by the election of such individual, give Sponsor voting control of the Board.

The Sponsor agrees that the By-laws will not be amended while Sponsor is in control of the Board of Managers unless there is prior approval of such amendment by the vote of 100% in number and in Common Interest of the Unit Owners at a meeting of the Unit Owners held for such purpose.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws and regulations; or (ii) to remedy any notice of violation or; (iii) to remedy a work order by an insurer or; (iv) 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.

Sponsor may exercise veto power over expenses other than those described above for a period ending not more than five (5) years after the closing of the first unit or whenever there is only one unsold unit, whichever is sooner.

During any period that the Sponsor controls the board, the unit owners may have to undertake, at their own expense, enforcement of the obligations of the sponsor. However, any provisions herein which give Sponsor control over enforcement of Sponsor's obligations are not lawful and may not be enforced by Sponsor. Further, if the Board includes non-Sponsor members along with Sponsor members, upon a vote to enforce these obligations against Sponsor, the Sponsor's board members may not vote on such matters.

During any period that the Sponsor controls the board, the insurance coverage cannot be less than what is required by Part 20 of Title 12 NYCRR.

XIV. BOARD OF MANAGERS

The affairs of the Condominium shall be governed by a Board of Managers consisting of three (3) people. Until the first annual meeting of the Unit Owners, the Board of Managers shall consist of three (3) people designated by the Sponsor of the Condominium. The initial Board will be composed of Randy Franza, the principal of the Sponsor, his wife, Lauren Franza, and a business associate and investor, Leonard Censi.

From and after the first annual meeting of unit owners (which shall be called within 180 days after the first unit closing), the Board of Managers shall consist of three (3) people.

A majority of the 3-member Board for the period terminating upon the earlier of (i) transfer of title to units equal to at least 75%, or (ii) two years after the first unit closing, shall be designated by Sponsor. Accordingly, it is possible that the Sponsor may control the Board of Managers for as long as two years after the first unit closes. Also, as long as the Sponsor continues to own at least one unit, Sponsor shall have the right to elect at least one of the members of the Board.

After the first annual meeting of Unit owners, the Board of Managers shall consist of three (3) people elected by all Unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth herein and in the by-laws. The by-laws do not include a provision that a majority of the board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals after the end of the initial sponsor control period. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this plan. Owner-occupants and non-resident owners, including sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e. purchase as a home as opposed to as an investment. Therefore, PURCHASERS FOR THERE OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN.

Subject to the limitation on Sponsor's control, at the first meeting of the Unit owners, the term of office of all three members of the Board of Managers shall be fixed at one (1) year. The members of the Board of Managers shall hold office until their respective successors have been elected by the unit owners.

A special meeting of the Board of Managers may be called by the President on two (2) days' notice of such meeting to each member either personally or by telephone, mail or telegram. Special meetings may be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) managers.

At any regular or special meetings of Unit owners, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the Unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Unit owners shall be given an opportunity to be heard at the meeting.

The Sponsor has the right to fill a vacancy of any board member appointed by Sponsor. In the event such appointee vacates his position during a period in which the Sponsor does not have the right to appoint a member, the sponsor will not have a right to appoint the replacement.

Officers and members of the Board of Managers serve without compensation. Except for a member of the Board of Managers designated by the Sponsor, Managers must be either a unit owner, a spouse of a unit owner, or a principal or officer of a unit owner.

Powers of the Condominium Board include, but shall not be limited to, the following:

1. To determine and levy monthly charges (common charges), and to collect and expend them.
2. To make repairs, restore or alter any units or the common elements after damage or destruction.
3. To enter into and upon the unit for maintenance or repair purposes.
4. To open bank accounts on behalf of the Condominium.
5. To insure and keep insured the common elements and Units.
6. To collect delinquent assessments by suit and/or enforce compliance with basic documents and abate nuisances.
7. To purchase any Unit at a foreclosure sale on behalf of all unit owners.
8. To make and amend reasonable rules and regulations.
9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment and to enter contracts.
10. To bring and defend actions by and against more than one Unit owner pertinent to the operation of the Condominium.
11. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local or county real estate tax assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law.
12. To maintain and have funded a Reserve Fund on behalf of the Condominium.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake in 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 such contracts have been made in bad faith or contrary to the

provisions of the Declaration or of the By-Laws. The indemnification liability of the unit owners is several, not joint and several.

It is intended that the members of the Board of Managers 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 owners 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 there under as his or her interest in the common elements bears to the interests of all Unit owners in the common elements. Every agreement made by the Board of Managers or by 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 agents for the Unit Owners and shall have no personal liability thereunder (except as Unit owners), and that each Unit owners liability there under shall be limited to such proportion of the total liability there under as his or her interest in the common elements bears to the interest of all Unit owners in the common elements.

The Unit Owners voting rights are determined by their percentage of common interest. It requires a vote of 75% of the unit owners in number and common interest to amend the By-Laws of the Condominium. Any change in the Declaration of the Condominium after it is filed requires a 75% vote of the unit owners in number and common interest.

XV. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD

A. Sale of Unit by Unit Owner

Each Unit Owner is free to sell or lease his Unit if not in arrears in the payment of Common Charges or special assessments, if any. A Unit Owner is free to make a gift of his or her Unit to anyone during their lifetime or to devise his or her Unit by last will and testament or to have it pass by intestacy without any restriction provided, however, such new Unit Owner shall be bound by Condominium Plan. No Unit can be sold or leased without a simultaneous sale or lease of its undivided interest in the Common Elements. These provisions are subject to change by amendment to the By-laws. Procedures for their implementation may be set forth in the Rules and Regulations.

The Sponsor or any Mortgagee acquiring title to a Unit in foreclosure can sell or lease a Unit free of any of the foregoing restrictions.

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 provisions as per the By-laws.

(a) The Units shall be used by Unit owners (other than the Sponsor) only for residential use and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns any Unit, it shall have the right to use such Unit for general and sales office purposes and as sales models. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the Unit owner or lessee (or if the Unit owner is a partnership, a limited liability company, a corporation, company or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family may occupy a Unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parent-in-law, brothers, sisters, children, and grandchildren.

(b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited, and which are incident to the use and occupancy of units. No unit owner may place furniture or other objects on the common elements except limited common elements.

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

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No portion of a Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(f) Rules and regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers if copies of such rules and regulations are furnished to each unit owner not less than five (5) days prior to the time that they become effective.

The Board of Managers does not have a right of first refusal with respect to the sale or lease of a unit or other option to acquire a unit except through foreclosure as set out in the Declaration and By-Laws.

B. Mortgage of Unit by Unit Owner

The Unit Owner may mortgage his Unit at any time after he or she acquires title thereto (or simultaneously with acquiring title) in whatever amount and under whatever terms the unit owner can obtain. Any Unit Owner may, upon the resale of his Unit, grant a purchase money mortgage loan to the purchaser of his or her Unit.

C. Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit Owners (and their mortgagees if requested) from time to time and at least once a year. Based upon such budget and any modification thereof approved by the Board of Managers, the Unit Owners will be charged for the cost of the operation of the Condominium in accordance with their percentage interest in the Common Elements. The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, fire and liability insurance covering the Common Elements, and management, audit and legal expenses, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium.

There are no restrictions on the right of the Board of Managers to accumulate reserves for capital expenditure, provided such expenditure is approved at an annual meeting of unit owners.

The Common Charges do not include maintenance, repairs or decoration of any or all of the Units or portions thereof, the cost of electricity, gas and other utilities for the Units which are individually metered, payments required pursuant to the terms of any Unit Owner's mortgages or real estate taxes covering the individual Units. Real estate taxes may be included in the common charges until the units are separately assessed.

The Board of Managers shall commence the collection of Common Charges upon the closing of title to the first Unit in such amount as will be necessary to carry out the duties of the Board of Managers as set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as owner of the unsold Units in accordance with their respective Common Interest percentages as set forth herein. Each Unit Owner will be responsible for paying the Common Charges allocable to the owner's Unit monthly in advance, commencing with the closing of title to his or her Unit. Common Charges assessed during the month in which title closes shall be adjusted as of the closing date if collection of charges has commenced. In the event wishes to delay or reserve the right to delay the collection of common charges, the plan must first be amended to permit same.

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners unless the casualty is the direct result of the damaged unit owner's negligence, misuse or neglect. To attempt to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers shall determine the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and review the amount of such coverage annually. Furthermore, each purchaser of Unit shall be required to maintain its own insurance covering contents, betterments and improvements.

The Sponsor shall be liable for monthly Common Charges of all Units, title to which has not been transferred to a bona fide purchaser, commencing with the closing of title to the first Unit.

Under the provisions of Sec. 339-z of the Real Property Law of the State of New York, 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. Such lien, however, shall be subordinate to liens for taxes on the Unit and any sums unpaid on a first mortgage of record on such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after a filing thereof in the Office of the County Clerk, 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 commenced within such six-year period, whichever shall be sooner. 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 a manner as a suit for the foreclosure of a mortgage on real property.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Real Property Law on Units in which the Sponsor is more than thirty (30) days in arrears of common charges while it is in control of the Board of Managers.

The obligation to pay common charges ends at the time of the sale of the unit, except for common charges accruing during the time of ownership.

D. Repairs

All maintenance, repairs and replacement to the common elements of the Condominium, including, but not limited to, maintenance, repairs and replacements to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit, or so much of any pipes, wires, conduits and public utility lines as are located in the common elements but service more than one Unit, shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all sanitary sewer and storm drain stoppages and problems occurring in the internal sanitary and storm drains in the common elements and serving more than one unit.

Except as is otherwise specifically provided, all maintenance to the Units, including exterior walls, roof and roof members as well as electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the Units, landscaping, and repairs and replacements to the Units including windows and doors (including all glass breakage) and repairs to pipes, wires, cables and conduits located in and servicing the same Unit, other than as set forth above, shall be made by the respective Unit Owners at their expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit Owner to whom such common element is restricted in use. Examples are the areas outside the Unit, including, but not limited to, the yards, party pads, driveways, walkways, sidewalks, decks, porches and exterior stairs.

In the event that a Unit Owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common elements, any other Unit, or, in the event of the service of a Building Department violation notice covering the Unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs, painting and/or maintenance. If the Board of Managers charges a Unit Owner for the painting or maintenance to any common element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered additional common charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board of Managers brings such suit, the Unit Owner shall be liable for the reasonable attorney fees and costs of such suit or proceeding along with interest on all such sums due.

A Unit owner shall grant a right of access to his Unit to the manager and/or managing agent 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 or her Unit and threatening another Unit or the common elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his or her Unit or elsewhere in the building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit owner and further provided that such right shall be exercised in such manner as will not unreasonably interfere with the use of the Unit for residential purposes. In case of an emergency, such right of entry shall be immediate once a phone call is made or attempted, whether the Unit owner is present at the time or not.

E. Additions, Alterations and Improvements

The Unit Owner may make any non-structural alterations or improvements to the Unit he or she desires without obtaining the consent of the Board of Managers so long as such alterations or improvements do not affect the structure of the building and/or the Building systems, in which the Unit is located, or any other Common Element, and does not affect the Certificate of Occupancy for the Building, and does not require a building permit.

All painting, decorating, maintenance, repairs and replacements to any Unit or the common elements or limited common elements performed by the Board of Managers shall be charged directly to Unit Owners except as otherwise determined by the Board of Managers.

No Unit Owner shall make any structural addition, alteration or improvement in or to his or her unit or the limited common elements, or any addition, alteration or improvement which requires a building permit and/or a new or amended Certificate of Occupancy without the prior written consent thereto of the Board of Managers. The Board of Managers have an obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such

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.

The unit owner may not do any construction or build any structures on his or her limited common element without the prior written permission of the Board of Managers. The Board of Managers will formulate house rules and procedures which shall govern all alterations and decorations of the limited common elements so as to remain in compliance with the Department of Buildings and any other agencies having jurisdiction.

Any application to any governmental authority having or asserting jurisdiction, for a permit to make an addition, alteration or improvement in or to any limited common element shall be executed by the Board of Managers only, without however, incurring liability on the part of the Board of Managers or any of them to any contractor, subcontractor, materialman, architect, or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to the purchaser thereof.

Whenever in the judgment of the Board of Managers the common elements shall require additions, alterations or improvements costing more than \$2,500.00 and the making of such additions, alterations or improvements shall have been approved by at least 66-2/3% in number and in common interest of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge.

Any additions, alterations or improvements costing \$2,500.00 or less may be made by the Board of Managers without approval of the unit owners. The cost of such work (unless paid from the Working Capital Fund Supplied by the Sponsor in accordance with the Plan of Condominium Ownership) shall constitute part of the common expenses.

The Board of Managers will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit, provided, however, that neither the Board of Managers nor the Unit owners other than the Sponsor shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

F. Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, insurance against loss by fire, personal injury liability, and other casualties normally covered under broad form fire and extended coverage insurance as written in New York, covering all Common Elements, all structural portions of the Condominium property and all Units including exterior walls, ceilings, and floors, but not including furniture, fixtures, decorations, equipment or the like installed or placed there by Unit Owners or Sponsor. Such insurance shall cover the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees as such respective interests may appear, in an amount equal to at least ninety (90) percent of the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgage Clause in favor of each mortgagee of the Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject to the loss

payment provisions of Real Property Law Section 339-bb. The premium for such insurance shall be a Common Expense to be paid by monthly assessments levied by the Board of Managers and shall constitute a lien enforceable in accordance with the By-Laws.

The Board of Managers shall also obtain and continue in force and effect insurance against liability for bodily injury and property damage arising from accidents occurring within the Common Elements and Limited Common Elements in amounts satisfactory to mortgagees holding first mortgages on the Units and against liability for personal injury sustained by any person and arising out of an occurrence involving certain named offenses committed in the operation of the Condominium. The amounts of such insurance shall be determined by the Board of Managers and the premiums therefore shall be a Common Expense.

As of the date of the first closing under this Plan, the Sponsor shall insure the project under a Condominium package policy providing coverage per Schedule B and in the following amounts:

1. Building -Special Form, 0% coinsurance	\$,938,574.00
Replacement Cost	Included
2. Commercial General Liability:	
General Aggregate Limit	\$2,000,000.00
Each Occurrence Limit	\$1,000,000.00
3. Other Coverages:	
Directors and Officers Liability	\$1,000,000.00
Fidelity Coverage	\$50,000.00
Deductible	\$2,500.00/\$1,000.00 retention

While the Sponsor controls the board, the insurance cannot be less than what is required by Part 20 of Title 13 NYCRR.

a. The insurer provides that if at the time of loss there is other insurance in the name of a Unit Owner covering the same loss and property covered by Board of Managers' policy, the insurance afforded by the Board of Managers' policy shall be primary and not contributing with such Unit Owner's insurance.

b. The insurer undertakes to honor a claim resulting from property damage even if such property damage is the result of negligence by a Unit Owner. This is termed a "waiver of invalidity", clause.

The Board of Managers shall give at least ten (10) days' written notice of the terms of insurance coverage and of any substantial change thereto, or termination thereof, to each Unit Owner, without prejudice to the right of each Unit Owner to insure his or her own Unit for his or her own benefit. The premium for such insurance on the Building shall be deemed Common Expenses, provided, however, that in charging the same to the Unit Owners, consideration may be given to higher premium rates on some Units than on others.

Damage to or destruction of the Buildings shall be promptly repaired and reconstructed by the Board of Managers using the proceeds of insurance on the Buildings for that purpose. If the insurance

proceeds are insufficient to cover the cost of repairs to the Buildings, the balance of the cost of such repairs shall constitute Common Expenses. However, if three-fourths or more of the Buildings are destroyed or substantially damaged and seventy-five (75%) percent of the Unit Owners do not promptly resolve to proceed with repair or restoration, then the property shall be subject to an action for partition and the net proceeds of sale together with the net proceeds of insurance policies shall be divided among all Unit Owners in proportion to their respective Common Interests after liens on each Unit have been satisfied.

The proceeds of the hazard and fire insurance policy shall be payable to the condominium board in the event of a loss amounting to \$200,000 or less and to the insurance trustee if the loss exceeds \$200,000. 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 there is any, shall be a bank or trust company having an office in the City and State of New York.

In addition to the insurance set forth herein, the purchaser may desire to insure his or her personal effects and the interior of the Unit itself against loss by fire and other casualties and against liability. The cost of such insurance, if taken by the purchaser, will be payable by the purchaser directly. Unit Owners will not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

G. Restrictions on Occupancy

There is no restriction upon ownership of a Unit. Occupancy of a Unit, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium or any part thereof and all valid laws zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit owners, their families, employees, guests, and pets shall not use or permit the use of the Units and common elements in any manner that would be illegal, disturbing or a nuisance to other unit owners. No residents shall put any advertisement or posters of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang garments, rugs etc. from the window or from the building or to string clothes lines on or over the common elements or use any of the common elements for storage. No Unit owner shall paint the exterior surfaces of the windows, walls or doors opening out of his or her unit or cut through an existing exterior wall in order to put wall air conditioning units in an owner's unit.

No Unit owner or any of his or her agents, servants, employees, licensees, or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except for formal household use.

No animals or reptiles of any kind shall be raised, bred, or kept in any unit or on the common elements, except that dogs, cats or other household pets, not exceeding two per unit, may be kept in the units and in yard areas irrevocably restricted to the owners of the units, subject to the rules and regulations adopted by the Board of Managers, provided that they are not kept, bred or maintained for any commercial purposes: and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property subject to these restrictions upon three (3) days written notice from the Board of Managers. Unit owners shall be required to always clean up after their pets.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the condominium building or elsewhere throughout the property, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the common elements, and without limitation, to do all things necessary and incidental to the sale of Units, without charge or contribution other than in the form of common charge payments as otherwise provided herein.

There shall be no anti-smoking restrictions as each of the units are within a 2-family, and, thus, are not required to have such restrictions.

H. Rights of the Condominium

The rights of the condominium are to be enforced by the board of managers. There is an exception to this exclusivity. When it is at least (60) days before the expiration of the statute of limitations or the board has not enforced such rights after reasonable notice and opportunity, the unit owner may individually or severally enforce such rights on behalf of the condominium.

I. Rental of Units

The condominium offering plan allows the sponsors and purchasers to rent the Units after consummation of the plan. Therefore, there might be several Unit owners who do not occupy their dwelling Units. The provisions of Real Property Law Section 339-kk apply to this offering plan. A summary of that section is provided below.

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 (60) days of the expiration of any grace period after they are due, upon notice in accordance with the paragraph below, all rental payments from the tenant shall be directly payable to the condominium association.

If common charges, assessments or late fees due for any unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the board 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.

When payments for the common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and the 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 (30) days of the date such board receives notice that such owner seeks to dispute such claim.

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.

XVI. REAL ESTATE TAXES

After the units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit owner will not be responsible for the payment of, nor will the unit be subjected to, any lien arising from the non-payment of taxes on other Units.

The Sponsor does not anticipate any delay in obtaining separate assessments for the Units and will endeavor to obtain such separate assessments prior to the closing of title to the first Unit. Since the actual tax lot separation and the separate tax lot assessment will be made by the City of New York, the date of such assessment will depend upon the workflow in the City of New York assessment office.

If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the Sponsor shall pay to the Board of Managers the sum required to satisfy the real estate taxes on all of the unsold Units for the tax period covered by the closing of title. At the time that the Units are separately assessed, the Unit owner will reimburse the Board of Managers for the taxes paid on the Unit owner's behalf and the Board of Managers will reimburse the sponsor for the excess taxes it paid to the Board of Managers with reference to the real estate tax period covered by the closing of title. The amount deposited in escrow for the real estate taxes will be disclosed in each post-closing amendment until the units are separately assessed.

The real estate taxes on the individual condominium units will be assessed by the City of New York department of Finance. Once the Units are separated into individual tax lots, the City tax assessor will assess each Unit separately. This will form the basis from which the actual real estate taxes will be derived. It is estimated by Sponsor's real estate tax consultant, Equity Valuation Associates, with an office at 1855 Victory Boulevard, Staten Island, NY 10314, that the land for the buildings will have a deemed market value of \$18,500.00 with the post construction assessed value of the condominium estimated to be \$192,000.00. The units are classified as Class 1 units and should be taxed at an estimated tax rate of approximately 20.286% of the assessed value. The yearly real estate taxes would be approximately \$9,732.22 for each condominium unit. This is an estimate which will depend upon the assessed value as well as the tax rate which was in effect at the time. A copy of the estimates of assessed value and projected real estate taxes of Equity Valuation Associates immediately follows this section of the plan.

The assessed valuation for real estate taxes depends upon the percentage interest in the common elements of an individual unit along with several components including location limited common elements and selling price. The assessed value should enter the tax rolls for the fiscal year commencing July 1, 2025.

The Fair Market Value, Assessed Value percentage and the tax rate may be changed by the City of New York on a yearly basis.

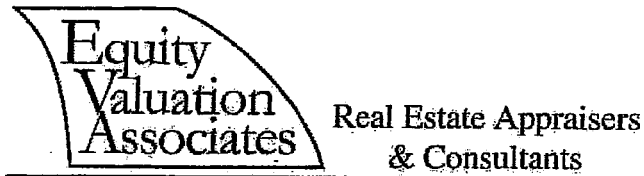
The condominium is new construction. There is no present 2025/2026 assessed valuation for the buildings, and the 2025/2026 tax rates are not yet fixed by the City of New York.

The Sponsor is not aware of any tentative changes in the assessed valuation or the tax rates which will affect the condominium unit. There are no tax certiorari proceedings ending. The Board of Managers is authorized to act as agent for the unit owners to complain or apply to the local taxing authorities to have the assessed value or real estate taxes changed for individual unit owners. Refer to the By-Laws I Part II Section F page 5 paragraph 14.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for, nor will the Unit be subject to, any lien arising from the non-payment of, taxes on other Units.

The opinion of the Sponsor's attorney, included in this Plan, describes circumstances under which real estate taxes may be deductible for income tax purposes. On December 22, 2017, the Tax Cuts and Jobs Act (the "2017 Act") was signed into law. The 2017 Act made changes to the Internal Revenue Code of 1986, as amended (the "Code") that are generally effective for individual taxpayers for the period January 1, 2018, through December 31, 2025, at which point the relevant Code provisions in effect prior to 2018 become effective again. The 2017 Act made changes to the pre-2018 Code provisions relating to tax and interest deduction for home ownership. In general, under the new Tax Cuts and Jobs Act, up to \$10,000 in real estate taxes paid on a Residential Unit used as the taxpayer's primary residence and in state and local taxes paid to authorities in the aggregate may be deductible. Deductibility in other circumstances is discussed in the attorney's opinion. As a result of changes in real estate taxes, tax laws, assessed values and/or tax rates, the amount of income tax deductions with respect to real estate taxes will vary.

The opinion of the Sponsor's attorney included in this Plan also describes circumstances under which interest paid by a Unit Owner on his or her mortgage indebtedness for a Residential Unit may be deductible for income tax purposes. As a result of changes in interest rate on the Unit Owner's mortgage and allocation of constant debt service payments to interest and principal on the Unit Owner's mortgage, the amount of income tax deductions with respect to mortgage interest paid will vary.



1855 Victory Boulevard
 Staten Island, New York 10314-3577
 (718) 447-6477

February 27, 2025

FOREST HILL WEST CONDOMINIUM

c/o Michael M Amtzis, Esq. PLLC
 Of Counsel to Menicucci Panzella Calcagno, PLLC
 2040 Victory Boulevard
 Staten Island, New York 10314

Re: New Construction
FOREST HILL WEST CONDOMINIUM
 1370 & 1372 Forest Hill Road
 a/k/a Block 2370, f/k/a Lot 162
 Staten Island, New York 10314

Dear Mr. Amtzis:

Per your request, we have reviewed and analyzed the development plans for the above captioned property to estimate the total assessed values and real estate taxes upon completion without benefits of Real Estate Tax Exemption

You have informed us that the subject is two (2) detached side by side two (2) family residences, under construction to be completed on or about June, 2025, totaling four (4) three bedroom units with finished basements, known as *FOREST HILLS WEST CONDOMINIUM*. "Limited common elements" will include accessory off-street parking for eight cars located at the side yards, wooden decks, side entrance area and yard, driveway, walkways, and the units exterior and roof. Since the subject buildings will be filed with the New York City Building Department as 2 detached two-story structures, it is assumed that the residential units will be Tax Class I property, which includes most residential property of up to three units, and most condominiums that are not more than three stories. Our Class I calculations are based on the current 2024-2025 Class I equalization rate of 0.20085. Over the last eight years, the Class I equalization rate has on average increased 0.086% per year. Although the increase over this period has been minimal, for 2025-2026, we will use an estimated Class I equalization rate of 0.20286, a 1.00% increase over the 2024-2025 rate. After analysis it is our opinion that the 2025-2026 assessed values and real estate taxes for the subject condominium units will be as follows:

Residential Units					
1A	6/3/3.5 w/cellar*	1,870.74	888,888	48,000	9,737.22
1B	6/3/3.5 w/cellar*	1,870.89	888,888	48,000	9,737.22
2A	6/3/3.5 w/cellar*	1,870.74	888,888	48,000	9,737.22
2B	6/3/3.5 w/cellar*	1,870.89	888,888	48,000	9,737.22
Total Residential Units		7,483.26	3,555,552	192,000	38,948.89

*Cellar, Wood Decks and Common Area Square Footages are not included in Gross Square Footage as they are not considered legal living area.

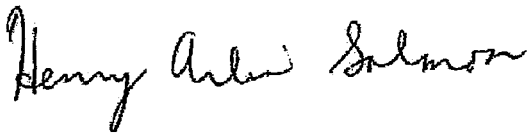
Please be advised that although the aforesaid estimate is a good faith estimate, it is not possible to estimate it with a degree of certainty and thus, such assessed valuations and allocations, when actually made, may be less or greater than is estimated above.

A "Certification and Statement of Limiting Conditions" accompanies this letter.

You have advised us of your intention to incorporate this letter into the offering plan for the above premises and we hereby consent to such incorporation.

Yours truly,

EQUITY VALUATION ASSOCIATES



Henry Arlin Salmon, CREA
New York State Certified General
Real Estate Appraiser No. 46-2234

HAS/Hs



Real Estate Appraisers
& Consultants

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS:

CERTIFICATION: The Appraiser certifies that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) To the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the requirements of the Code of Professional Ethics, and the Standards of Professional Appraisal Practice of the *Appraisal Institute*.
- 8) I have not made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report. The Appraiser has the knowledge and experience to complete this assignment and is in compliance with the Competency Provision of the Uniform Standards of Professional Appraisal Practice.
- 10) The use of this report is subject to the requirements of the *Appraisal Institute* relating to review by its duly authorized representatives.
- 11) The conclusions in this assignment are not based in whole or in part upon race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the subject property.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.



Real Estate Appraisers
& Consultants

- 1) The Appraiser assumes no responsibility for matters of a legal nature affecting the property or the title hereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is analyzed as though under responsible owner.
- 2) Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property.
- 3) The Appraiser is not required to give testimony or appear in court because of having made the analysis with reference to the property in question, unless arrangements have been previously made before.
- 4) Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other analysis and are invalid if so used.
- 5) The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering, which might be required to discover such factors.
- 6) Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
- 7) Your Appraiser has not determined if the subject property is located or is adjacent to an area, which has been designated as "wetland." We urge the client to determine from "DEC" if the property is located in an area so designated and the ramification of such designation.
- 8) Disclosure of the contents of the report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
- 9) Neither all, nor any part, of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purpose(s) by anyone but the client specified in the report, the borrower if fee is paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
- 10) On all analysis, subject to satisfactory completion, repairs, or alterations, the analysis report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
- 11) To the best of the undersigned's knowledge, the presence of Radon has not been detected on this property, or if Radon has been detected, it has been determined that the level of Radon present is considered safe according to the standards established by the Environmental Protection Agency. The undersigned does not, however, make any guarantees or warranties that the property has been tested for the presence of Radon, or, if tested, that the tests were conducted pursuant to EPA approved standards.



Real Estate Appraisers
& Consultants

12) *It should be noted your Appraiser's assignment was to determine assessed values and estimated taxes of the subject condominium units, using information provided by the developer.*



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February 27, 2025

FOREST HILL WEST CONDOMINIUM
c/o Michael M Amtzis, Esq. PLLC
Of Counsel to Menicucci Panzella Calcagno, PLLC
2040 Victory Boulevard
Staten Island, New York 10314

Re: New Construction
FOREST HILL WEST CONDOMINIUM
1370 & 1372 Forest Hill Road
a/k/a Block 2370, f/k/a Lot 162
Staten Island, New York 10314

Dear Mr. Amtzis:

Per your request, we have reviewed and analyzed the development plans for the above captioned property to estimate the total assessed values and real estate taxes upon completion without benefits of Real Estate Tax Exemption

You have informed us that the subject is two (2) detached side by side two (2) family residences, under construction to be completed on or about June, 2025, totaling four (4) three bedroom units with finished basements, known as *FOREST HILLS WEST CONDOMINIUM*. "Limited common elements" will include accessory off-street parking for eight cars located at the side yards, wooden decks, side entrance area and yard, driveway, walkways, and the units exterior and roof. Since the subject buildings will be filed with the New York City Building Department as 2 detached two-story structures, it is assumed that the residential units will be Tax Class I property, which includes most residential property of up to three units, and most condominiums that are not more than three stories. Our Class I calculations are based on the current 2024-2025 Class I equalization rate of 0.20085. Over the last eight years, the Class I equalization rate has on average increased 0.086% per year. Although the increase over this period has been minimal, for 2025-2026, we will use an estimated Class I equalization rate of 0.20286, a 1.00% increase over the 2024-2025 rate. After analysis it is our opinion that the 2025-2026 assessed values and real estate taxes for the subject condominium units will be as follows:

Assessed Value - Land:	\$18,500.
Assessed Value - Building:	<u>\$173,500.</u>
Assessed Value - Total:	\$192,000.

Real Estate Taxes:	\$38,950.
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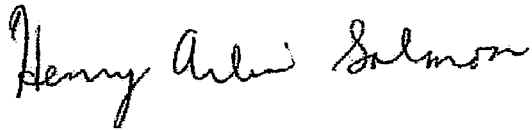
Please be advised that although the aforesaid estimate is a good faith estimate, it is not possible to estimate it with a degree of certainty and thus, such assessed valuations and allocations, when actually made, may be less or greater than is estimated above.

A "Certification and Statement of Limiting Conditions" accompanies this letter.

You have advised us of your intention to incorporate this letter into the offering plan for the above premises and we hereby consent to such incorporation.

Yours truly,

EQUITY VALUATION ASSOCIATES



Henry Arlin Salmon, CREA
New York State Certified General
Real Estate Appraiser No. 46-2234

HAS/Hs



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CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS:

CERTIFICATION: The Appraiser certifies that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) To the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the requirements of the Code of Professional Ethics, and the Standards of Professional Appraisal Practice of the *Appraisal Institute*.
- 8) I have not made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report. The Appraiser has the knowledge and experience to complete this assignment and is in compliance with the Competency Provision of the Uniform Standards of Professional Appraisal Practice.
- 10) The use of this report is subject to the requirements of the *Appraisal Institute* relating to review by its duly authorized representatives.
- 11) The conclusions in this assignment are not based in whole or in part upon race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the subject property.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.



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- 1) The Appraiser assumes no responsibility for matters of a legal nature affecting the property or the title hereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is analyzed as though under responsible owner.
- 2) Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property.
- 3) The Appraiser is not required to give testimony or appear in court because of having made the analysis with reference to the property in question, unless arrangements have been previously made before.
- 4) Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other analysis and are invalid if so used.
- 5) The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering, which might be required to discover such factors.
- 6) Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
- 7) Your Appraiser has not determined if the subject property is located or is adjacent to an area, which has been designated as "wetland." We urge the client to determine from "DEC" if the property is located in an area so designated and the ramification of such designation.
- 8) Disclosure of the contents of the report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
- 9) Neither all, nor any part, of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purpose(s) by anyone but the client specified in the report, the borrower if fee is paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
- 10) On all analysis, subject to satisfactory completion, repairs, or alterations, the analysis report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
- 11) To the best of the undersigned's knowledge, the presence of Radon has not been detected on this property, or if Radon has been detected, it has been determined that the level of Radon present is considered safe according to the standards established by the Environmental Protection Agency. The undersigned does not, however, make any guarantees or warranties that the property has been tested for the presence of Radon, or, if tested, that the tests were conducted pursuant to EPA approved standards.



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12) *It should be noted your Appraiser's assignment was to determine assessed values and estimated taxes of the subject condominium units, using information provided by the developer.*



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XVII. TAX STATUS OF THE CONDOMINIUM

The Internal Revenue Code of 1986 as amended under Section 528 allows condominiums which comply with certain requirements to qualify as a tax-exempt organization.

The Forest Hill West Condominium as structured in this Offering Plan meets the conditions set forth in Section 528 of the Internal Revenue Code of 1986 for tax exempt organization. The opinion of counsel which follows this section outlines the conditions and terms of the tax-exempt status.

As a tax-exempt organization, the condominium will not pay income tax on the common charge payments received from Unit Owners. However, any receipts from unit owners or third parties which are not considered common charge payments would in most instances be considered taxable income to the condominium.

In addition, the tax-exempt status of the condominium does not extend to the individual Unit Owners. The Unit Owners are responsible for their own income taxes and deductions irrespective of the status of the condominium

XVIII. OPINION OF COUNSEL

LAW OFFICES

MICHAEL M. AMTZIS, ESQ., PLLC

2040 Victory Boulevard
Staten Island, NY 10314
Telephone: (718) 667-9090
E-mail: mamtzis@mvpclaw.com

Michael M. Amtzis
NY, NJ

WALLACE AVENUE BUILDERS, LLC
4073 Victory Boulevard
Staten Island, NY 10314

April 11, 2025

To Whom It May Concern:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by individual residents of New York who purchase Residential Units (“Residential Units”) pursuant to the above-referenced Offering Plan (the “Plan”), and (ii) the income tax treatment to the Board of Managers of the Condominium (the “Condominium Board”) of the assessments payable by Residential Unit Owners to meet Common Expenses of the Condominium (“Common Charges”).

In connection with rendering this opinion, we have reviewed the Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the “Code”), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other materials as we deemed relevant. The opinions expressed herein are based upon the assumptions that (1) the Plan becomes effective and is consummated in accordance with its terms, (2) Condominium ownership of Residential Units located in the premises known as *1370-1372 Forest Hill Road, Staten Island, New York* is established under applicable law and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, comprising *1370-1372 Forest Hill Road, Staten Island, New York*. The Condominium will be comprised of Residential Units and Common Elements. This opinion addresses certain of the Federal, New York State and New York City income tax consequences of ownership of a Residential Unit by an individual resident of New York for use as a qualified residence. It does not address the tax consequences of the ownership of Residential Units by corporations, other entities or foreign persons or by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

Deductibility of Mortgage Interest and Real Estate Taxes

Each Residential Unit Owner will own his or her Residential Unit and an undivided interest in the Common Elements in fee simple and, under New York State Law, each Residential Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for real estate tax purposes.

Each Residential Unit Owner may mortgage his or her Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Residential Unit. Under these circumstances, the Internal Revenue Service has ruled that the owner of a Residential Condominium Unit who itemizes deductions in filing his or her federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Based on the foregoing, and subject to the limitations expressed therein, it is our opinion that each individual Residential Unit Owner who itemizes deductions will be entitled under current law to deduct from his or her gross income for Federal, New York State and New York City income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local authority, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code and applicable New York State and New York City limitations. However, no deduction for real estate taxes is permitted for purposes of the Federal Alternative Minimum Tax. Residential Unit Owners should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and the effect of the alternative minimum tax.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" means the principal residence of the taxpayer and one other residence of the taxpayer selected by the taxpayer for the taxable year. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer, and which is incurred in acquiring, constructing, or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt.). The aggregate amount treated as acquisition indebtedness for any period cannot exceed \$1,000,000.00 (\$500,000.00 in the case of a married individual filing a separate return). "Home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence, up to the excess of the fair market value of such qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed \$100,000.00 (\$50,000.00 in the case of a married individual filing a separate return). Accordingly, an Owner of a Residential Unit who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, for Federal income tax purposes, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$1,000,000.00 (\$500,000.00 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$100,000.00 (\$50,000.00 in the case of a married individual filing a separate return).

However, notwithstanding the above, Tax Cuts and Jobs Act of 2017 which became effective at the beginning of 2018 affects the deductibility of real estate taxes and mortgage interest. Under this statute:

(i) The 2017 Act imposes limitations on the deductibility of state and local income, sales and real estate taxes. An itemized deduction of up to \$10,000 (\$5,000 in the case of a married taxpayer filing a separate return) may be taken for the combination of state and local income, sales and real estate taxes. If an individual already has a deduction for state and local income taxes and sales tax in the tax year, there will be a smaller deduction or no deduction for state and local real estate taxes.

(ii) The 2017 Act also imposes a limitation on the mortgage interest deduction. This deduction applies to a person's principal residence and second residence. Only the interest on the first \$750,000 (\$375,000 in the case of a married taxpayer filing a separate return) of an acquisition mortgage is deductible. The deductibility of interest on a home equity loan has been suspended.

Since the rules and limitations regarding the deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes.) In addition, Owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each Owner of a Residential Unit who uses such Residential Unit as a residence will generally be entitled to the same deduction for interest and real estate taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purpose as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to further reduction by as much as fifty percent (50%) in the case of individuals having income exceeding certain prescribed levels. Furthermore, Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum tax to the deduction of interest and real estate taxes with respect to their Residential Units.

Common Charges

Under the Plan, the Condominium Board will, from time to time, assess Common Charges against the Residential Unit Owners generally in proportion to their respective percentage interests in the Common Elements in order to pay the costs and expenses of operating, repairing, and maintaining the Common Elements. In certain circumstances, a condominium management association may elect to be treated as a "homeowners association" within the meaning of Code Section 528(c) and, therefore could elect to be exempt from Federal income tax on its exempt function income. In order for the Condominium Board to qualify to make such an election, Code Section 528 requires, among other things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Code Section 528 state that substantially all of the Condominium Units will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes, the Condominium Board may be eligible to elect to be treated as a homeowners association, provided that the other requirements of Section 528 are met.

Among such requirements are that sixty percent (60%) or more of the gross income of the Condominium Board for the taxable year be exempt function income, and that ninety percent (90%) or more of the expenditures of the Condominium Board for the taxable year be qualifying expenditures for the acquisition, construction, management, maintenance, and care of association property. "Exempt function income" means amounts received as membership dues, fees or assessments from Residential Unit Owners in their capacity as such, if such amounts are used by the Condominium Board for qualifying purposes.

For any taxable year for which the Board elects to be treated as a homeowner's association under Section 528, it will be subject to Federal taxation only on its homeowner's association's taxable income for such year. Such tax will be imposed at a rate of thirty percent (30%). For this purpose, "homeowners association taxable income" is defined as an amount equal to the excess (if any) of the gross income for the

taxable year (excluding any exempt function income) over allowable deductions that are directly connected with the production of the gross income (excluding exempt function income). Such allowable deductions are computed with certain modifications, including the disallowance of the net operating loss deduction and special deductions otherwise allowable to corporations, including the deduction for dividends received and the amortization of organizational expenditures.

Absent the application of Code Section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Unit Owners ("membership income") and others ("non-membership income") in excess of appropriate deductions and credits. It is possible that the Condominium Board could be viewed as an agent or conduit for Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of non-membership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal Corporate Income Tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium Board is treated as a partnership, the Unit Owners (but not the Condominium Board) would be subject to the New York City Unincorporated Business Tax. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Unit Owners may be limited to its membership income. Certain amounts expended for the benefit of Residential Unit Owners, and possibly rebates, if any, to Residential Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

We express no opinion concerning (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan under the laws of any other state, local or foreign jurisdiction. Except as explicitly provided, this opinion does not address (i) tax consequences which may result with respect to any Residential Units held in connection with a trade or business, or any Residential Units held for purposes of investment or for the production of income, (ii) tax consequences of the ownership of Residential Units by corporations or other entities, (iii) tax consequences which may result to a foreign Residential Unit Owner by reason of his or her foreign status or (i) tax consequences which may result from the purchase of a Community Facility Unit. This opinion also does not discuss the tax consequences which may arise if Units or Common Elements are acquired and/or leased by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State or New York City as a result of the ownership of a Residential Unit and the attendant income, estate or other tax consequences. We advise, therefore, that each person contemplating the purchase of a Residential Unit consult his or her own tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the Federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised Sponsor that it is obligated to do so.

This opinion is not a guarantee; it is based on the existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we based this opinion will not change. In no event will Sponsor, we, the Condominium Board, the Selling Agent, the Managing Agent or any other person be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above or which affect the tax treatment of the Condominium Board as described herein.

Internal Revenue Service Circular 230 Disclosure

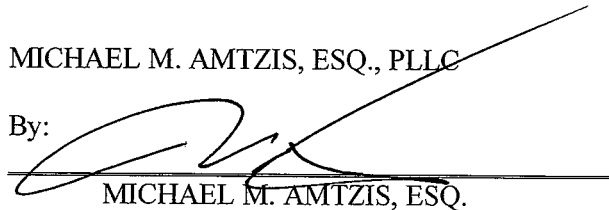
This opinion was written to support the promotion or marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, we are informing you that this opinion was not intended or written by us to be used, and cannot be used, by any taxpayer, including Purchasers of Residential Units, for the purpose of avoiding tax related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

MICHAEL M. AMTZIS, ESQ., PLLC

By:

A handwritten signature in black ink, appearing to read "Michael M. Amtzis", is written over a horizontal line. The signature is fluid and cursive.

MICHAEL M. AMTZIS, ESQ.

XIX. WORKING CAPITAL FUND

Purchasers shall be required to pay \$1,800.00 at closing of title as working capital. This amount shall be used to reimburse the Sponsor for prepaid Condominium expenses if any, such as pre-paid insurance. This payment will not be used to reduce common charges. The working capital shall be turned over to the Board of Manager at each closing. The total fund is estimated to be \$. 7,200, based on 4 units at \$1,800.00 per unit provided all units are sold. Sponsor will not contribute to the working capital fund unless it rents a unit to non-purchasers.

While Sponsor is in control of the Board of Managers, the working capital fund may not be used to reduce projected common charges in the plan. There are no other restrictions on the use of this fund.

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

Any adjustments for prepaid expenses between the sponsor and the Board of Managers may be deducted only from the working capital fund. The Sponsor does not anticipate any prepaid expenses other than insurance on the condominium. Such insurance is estimated to be \$7,106.711 per annum. The reimbursement to the sponsor will occur by a pro-rata adjustment based on the percentage of common interest paid at each closing during the first year of operation.

There is no minimum working capital fund which must be maintained regardless of the amount of the adjustment.

No representation is made that the proposed budget will be adequate to cover current or future expenses including repairs or replacements of common elements. If additional funds are required, it may be necessary to increase the common charges payable by the Unit Owners or to collect a special assessment from each unit owner.

XX. RESERVE FUND

The Schedule B budget contains a reserve fund which is authorized and established in Article III, Section 4(a) (17) of the Bylaws of the Condominium. This charge item shall substantially equal at least 10% of the budget for the year in which it appears. These reserve funds shall be maintained in a special account separate from and apart from the account for yearly expenses. It shall be used exclusively for capital repairs and improvements which might be required in the future. This reserve fund is sufficient to provide needed capital expenditures within five years following the first closing under this 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.

The development is new construction, and the Sponsor does not contemplate any capital repairs for at least five years from the establishment of the condominium.

The reserve fund may not be used to reduce projected common charges under the plan while sponsor is in charge of the board.

Neither the Department of Law nor any other government agency have passed upon the adequacy of this fund.

XXI - IDENTITY OF PARTIES

Sponsor and Principals.

The sponsor and selling agent is Wallace Avenue Builders, LLC, a domestic New York limited liability company, having its principal office at 4073 Victory Blvd., Staten Island, New York 10314. The Sponsor acquired the property where the condominium is to be located on May 25, 2023.

The shareholder, officer and principal of the Sponsor actively involved in the planning and consummation of this offering is Randy Franza, with an office at 4073 Victory Boulevard, Staten Island, NY 10314. Mr. Franza is a builder of one- and two-family homes on Staten Island. This is his third condominium development on Staten Island. He has previously built and sold The Rockland Commons Condominium, 849 Rockland Avenue, Staten Island (CD-160036) and a 4-unit condominium at Willowbrook Commons Condominium, 110 & 114 Willowbrook Road (CD-150333).

The Sponsor has not had any interest in condominiums within the last five years.

There have been no prior felony convictions of sponsor and/or any principals of sponsor.

There have been no prior bankruptcies, convictions, injunctions or judgments against the sponsor, the principals of the sponsor, and/or entities in which the principals of the sponsor was a principal, that may be material to the offering plan or to an offering of securities generally and that have occurred within the fifteen (15) years prior to the submission of the proposed offering plan.

Any prior felony conviction, bankruptcy, conviction, injunction or judgment against the name Randy Franza are against someone with the same or similar name and not against the principal of Sponsor, Randy Franza

Sponsor's Attorneys.

The attorney for the sponsor, Joseph A. D'Amico, Esq. 114 Seguire Avenue, Staten Island, N.Y. 10308 will represent the sponsor at all contracts and closings and will act as escrow agent for purchaser's down payments.

Michael M. Amtzis, Esq., of Michael M. Amtzis, Esq., PLLC, of 2040 Victory Boulevard, Staten Island, New York 10314, assisted Sponsor in the preparation of the offering plan.

The attorneys for Sponsor have no financial interest in the Property, the Sponsor, or any other party interested in this transaction, except for fees for services rendered.

Selling Agent.

The Sponsor will act as its own selling agent. The sponsor will also manage the property initially. Neither the sponsor nor its principals have had any previous experience managing a condominium building, except for the condominiums mentioned above.

Budget Expert.

Dome Property Management, Inc. ("Dome") located at 109 Winant Place, Staten Island, NY, assisted Sponsor in preparing Schedule A, Schedule B and B-1. Dome's experience includes budget preparation and/or management since 1987 of more than 100 cooperatives, condominiums, residential and commercial rentals. Dome has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with preparation of the schedules; or (ii) to the extent it may in the future be designated Managing Agent.

Architect.

The firm of Joseph A. Morace, R.A. 3195 Richmond Road, Staten Island, N.Y. 10306 prepared and obtained approval of the condominium plans from the New York City Building Department. The firm has had substantial experience in preparing architectural plans for a variety of projects. The firm has specialized in condominium developments like the present development over the last ten years. The firm assisted Sponsor and/or Sponsor's principal in connection with the aforementioned prior condominiums. The architect has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

Tax Consultant.

Equity Valuation Associates, having an address at 1855 Victory Boulevard, Staten Island, NY 10314, has been engaged as a real estate tax consultant in connection with the Plan. The firm prepared a forecast of the assessed valuation of the Units following construction and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A; and other disclosures in the Plan regarding projected real estate taxes. The forecast was prepared by Henry Salmon, MAI, a Partner of the firm. The real estate tax consultant has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

XXII. REPORT TO UNIT OWNERS

It is the obligation of the Board of Managers of the condominium to give all unit owners annually the following:

1. A financial statement of the condominium prepared by a certified public accountant or public accountant by March 31 of each year; such statement shall be certified while the sponsor is in control of the Board of Managers.
2. Prior notice of the annual unit owners meeting.
3. A copy of the proposed annual budget of the condominium by at least 30 days prior to the date of adoption thereof by the Board of Managers. While the sponsor is in control of the Board of

Managers such budget shall be certified in compliance with section 20.4(d) of the regulations promulgated by the attorney general.

XXIII. DOCUMENTS ON FILE

The Sponsor shall keep copies of the plan, all documents referred to in the plan and all exhibits submitted to the Department of Law in connection with the filing of the plan, on file and available for inspection without charge and copying at a reasonable charge at the office of the Sponsor for six (6) years from the date of first closing. The sponsor shall deliver to the board of managers a copy of all documents filed with the appropriate recording office at the time of closing of the first unit.

XXIV. GENERAL

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect this offering, the property, and sponsor's capacity to perform all its obligations under the plan, the condominium or the operation of the condominium.

The property has not been the subject of any prior cooperative or condominium offerings. There have been no preliminary binding agreements entered into nor have any money been collected from prospective purchasers. The sponsor has not conducted any market test pursuant to cooperative policy Statement No. 1.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered in the plan. No deposits or advances have been taken by or on behalf of sponsor in connection with the reservation, sale or transfer of units, prior to submission of the plan to the Department of Law.

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

If there is a material amendment to the offering plan that adversely affects the purchasers, the Sponsor will grant purchasers a right of rescission and a reasonable period that is not less than fifteen (15) days after the date of presentation to exercise the right. Any deposit or down payment will be promptly returned to purchasers who rescind.

There are no circumstances which may affect use or enjoyment of the property and appurtenances.

All residential units offered in the offering plan have remained vacant since the date of submission of the offering plan to the Department of Law. The Sponsor shall keep the residential units in the offering plan vacant until consummation of the offering plan unless a unit is occupied by a purchaser under contract subject to an interim lease agreement.

XXV. SPONSORS STATEMENT OF SPECIFICATIONS OR BUILDING CONDITIONS

Sponsor adopts the description of Property and Building Conditions set forth in Part II of this plan. Sponsor has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Building Condition.

XXVI. FinCEN

The Financial Crimes Enforcement Network ("FinCEN") requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the geographic targeting order ("GTO"); (2) the purchaser purchases residential property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island; (3) the total purchase price is in the amount of \$300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or 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. As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018.

PART II

SECTION A

A-1PURCHASE AGREEMENT

AGREEMENT, made and dated the _____, between **Wallace Avenue Builders, LLC**, with offices located at 4073 Victory Blvd., Staten Island, N.Y. (hereinafter called the "Sponsor") and

residing at _____ (hereinafter called the "Purchaser").

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for the **Forest Hill West Condominium** and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan" at least three (3) days prior to the Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. THE UNIT. Sponsor agrees to sell and convey, and the PURCHASER agrees to purchase Unit No: _____ at **1370-1372 Forest Hill Road, Staten Island, NY 10314** together with a **25.00%** undivided interest in the Common Elements of the **Forest Hill West Condominium** appurtenant hereto.

The closing Deed shall contain such a description of the Condominium as shall be acceptable by the lending institution or the title company insuring such lender.

3. PURCHASE PRICE

The purchase price of the Unit is \$ _____ payable as follows:

(i) \$ _____ as a deposit on the signing of this Agreement, by Purchaser's check or wire payable to the Escrowee (as herein defined), subject to collection, the receipt of which is hereby acknowledged, to be held in escrow pursuant to the Rider to this contract ("Down payment");

(ii) \$ _____ loan in that amount, to be procured by the Purchaser from a lender which shall include interest at the prevailing rate of interest charged by such financial institution, the proceeds of which shall be turned over to the Seller at closing.

(iii) \$ _____ by certified or official bank cashier's check on closing of title.

4. DOWNPAYMENT IN ESCROW - SEE ATTACHED RIDER

5. ACCEPTABLE FUNDS

All money payable under this contract, unless otherwise specified, shall be paid by;

- (a) Cash, but not over \$1,000.00
- (b) Good, certified check of Purchaser drawn on or official bank check issued by any bank, savings bank, trust company or savings and loan association having a banking office in the State of New York, unendorsed and payable to the order of the Sponsor, or as Sponsor may otherwise direct upon not less than three days' notice to Purchaser.
- (c) As to money other than the purchase price payable to Sponsor at Closing, uncertified check of Purchaser up to the amount of \$500.00; and
- (d) As otherwise agreed to in writing by Sponsor or Sponsor's Attorney.

6. AGREEMENT CONTINGENT ON MORTGAGE FINANCING

This contract shall be subject to and contingent upon Purchaser obtaining a conventional first mortgage in the amount of \$_____ to run for a period of 30 years, to bear interest at the prevailing rate at the time of closing or as otherwise provided in the loan commitment and to be payable in monthly installments which may include amortization of principal, interest, taxes, water rates, private mortgage insurance fees, fire and other hazard insurance premiums, and such other provisions as may be required by the lending institution. The mortgage shall contain the lending institutions' prepayment privileges.

Purchaser does hereby agree to make a diligent, truthful, and proper application to a lending institution within ten (10) days after receipt of a fully executed copy of this Contract and shall have **forty-five (45)** days from the signing of said contract to obtain a mortgage commitment. Purchaser shall without delay furnish such verifications of bank accounts and employment or any other instruments or information as may be required by said lending institution in the processing of Purchaser's application for the mortgage loan described above. Failure to comply with the foregoing will be deemed a willful, material breach of this Contract by Purchaser.

If the application for the mortgage loan hereinabove set forth is approved and the commitment issued, the Purchaser does hereby agree to execute, acknowledge and deliver such bond, mortgage, assumption, extension and/or modification agreements, affidavits, statements, or any other instruments which may be necessary or required by the lending institution, and/or the title company insuring the mortgage, in order to properly effectuate the placing of the mortgage loan described above.

In the event lending institution shall refuse to approve the application and issue a commitment for the amount set forth upon the terms and conditions described above within **forty-five (45)** days from the date of the contract, then Sponsor shall have the option of granting the Purchaser an extension of time within which to obtain a mortgage commitment or to deem this Contract cancelled.

In the event that Purchasers are denied a mortgage commitment by a lending institution even after an extension, upon receipt of a copy of Purchaser's good-faith, timely, mortgage application and a copy of the lender's denial/declination letter, Sponsor, through its attorney, shall promptly return the deposit paid hereunder to Purchasers through their attorney and this Contract shall cease and terminate and thereafter neither party shall have any further rights against, or obligations or liabilities to the other party by reason of this contract

Once a bank commitment is issued, Purchaser will be required to use due diligence in obtaining all extensions necessary to maintain such commitment in force, notwithstanding that such extension may be at a higher interest rate or required payment of additional fees or include other charges. Failure to maintain such commitment will constitute a default under the purchase agreement, except if the bank refuses to extend such commitment on any rates or terms, purchaser may cancel the contract and receive return of his down payment.

The mortgage loan contingency shall be deemed fulfilled, and this contract shall be considered firm and binding on the Purchaser even though the mortgage loan commitment contains conditions to be satisfied by the Purchaser, as a prerequisite to funding the mortgage loan including but not limited to (i) proof and confirmations regarding the credit worthiness of Purchaser or any co-applicant and existing bank accounts of Purchaser or any co-applicant and any balances thereof, (ii) continuing employment of Purchaser or any co-applicant, (iii) sale of any house, property or other asset required to be sold by Purchaser or any co-applicant, and (iv) satisfaction of a debt by Purchaser or any co-applicant. THE RISK OF COMPLYING WITH ALL CONDITIONS OF THE COMMITMENT IN SUFFICIENT TIME TO BE ABLE TO CLOSE TITLE AT THE TIME, PLACE AND DATE SET FORTH IN SELLER'S NOTICE OF CLOSING, IS EXCLUSIVELY ON PURCHASER, AND THE FAILURE OF THE LENDER TO FUND THE LOAN BECAUSE OF PURCHASER'S FAILURE TO COMPLY WITH ALL CONDITIONS OF THE COMMITMENT SHALL NOT EXCUSE PURCHASER FROM CLOSING TITLE AND PAYING THE BALANCE OF ALL SUMS DUE UNDER THIS CONTRACT ON THE DATE OF CLOSING.

7. CLOSING DATE AND PLACE. The closing shall take place and the deed shall be delivered upon receipt of all payments due hereunder at the office of Joseph A. D'Amico, Esq. 114 Seguire Avenue, Staten Island, N.Y. 10309 or at any other place designated by the Sponsor on or about _____, 20__, or at any other time and date designated by Sponsor pursuant to the terms of this agreement. In the event Purchaser or Purchaser's mortgage lender requires that the closing take place outside of the Seller's attorney's office, Purchaser agrees to pay Sponsor's attorney a travel fee at closing of title of \$ 500.00 for closings within New York City (other than Staten Island) and \$ 750.00 for closing outside of New York City.

If Sponsor cannot convey title to the Unit on or before eighteen (18) months from the date of this Purchase Agreement, such Purchaser shall have the right to rescind the purchase agreement.

The closing of title shall take place on no less than thirty (30) days' prior written notice after the issuance of a Certificate of Occupancy.

The Sponsor anticipates that the first closing of a unit in the condominium will occur by October 1, 2025. Purchasers will be offered a right of rescission if: (i) the actual closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than September 30, 2026, twelve (12) months after the projected date for the first unit closing. If the Plan is amended to provide a later projected date for the first unit closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended later date.

However, if the first unit closing occurs before October 1, 2025, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless the Purchase Agreement contains an outside date, the Seller is not obligated to schedule the Purchaser's closing within any specified time frame or ensure the closing of title to Purchaser's unit will occur by any date certain.

8. CLOSING ADJUSTMENTS. The following adjustments shall be made as of midnight of the date preceding the Closing Date with respect to the Unit:

8.1

(a) Real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), based on the period for which assessed.

(b) Common Charges for the month in which title closes.

(c) Accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

8.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed; the adjustment of taxes shall be based upon the latest rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under section 8.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

8.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based upon the percentage of time of which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9. CLOSING COSTS

(A) In addition to those closing costs and adjustments described in the sections above, PURCHASER shall be required to pay the other closing costs which are Purchaser's responsibility. These Closing Costs and Adjustments include but are not limited to the following:

(i) The New York State Real Property Transfer Tax.

(ii) The New York City Real Property Transfer Tax.

(iii) The New York State Additional Transfer Tax (commonly referred to as the "Mansion Tax) if applicable:

(iv) A Working Capital Contribution of \$1,800.00.

(v) as well as the actual fee for recording the deed to the unit as well as the applicable New York State sales tax on any items of personal property.

(vi) The Purchaser shall pay to Seller's attorney at closing the sum of \$500.00 for the preparation of the condominium documents. Purchaser further agrees to pay Sponsor's attorney at closing a travel fee of \$ 500.00 for closings within New York City (other than Staten Island) and \$ 750.00 for closing outside of New York City.

(vii) Mortgage tax adjustment according to the provisions of Real Property law 339-cc. Reimbursement to Seller of credit to purchaser's mortgage tax due to construction loan on property, if any.

(viii) Purchaser also agrees to pay Sponsor at closing \$850.00 for the preparation of a survey, if requested, and \$850.00 for the installation of a water meter, if the Unit has its own water meter.

10. In the event the PURCHASER shall obtain a purchase money mortgage, he shall pay all applicable fees connected therewith, including, but not limited to, origination fees, fees for credit reports, the actual cost of appraisal and inspection fees, mortgage tax, mortgage title insurance, bank's attorney's fees for preparation of documents necessary for the mortgage loan or recording fees and all other governmental charges assessed on the loan. All applicable real estate taxes, and other usual and normal closing charges during the month that title closes or established as a reserve, shall be adjusted as of the closing date based upon the last bill rendered for such taxes or charges. The purchaser shall pay the fee of his own attorney and the premium for a fee title insurance policy, if purchaser desires such coverage. PURCHASER shall make the required deposits with the lending institution for future payments of taxes and insurance premiums.

11. DEED AND SUBJECT TO. The closing deed shall be a Bargain and Sale Deed with Covenant Against Grantor's Act, shall be duly executed and acknowledged by the SPONSOR to convey to the Purchaser the fee simple title to the said Unit, free and clear of all liens and encumbrances, except as herein stated, and shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other returns and forms then required by law, all of which shall be prepared by Sponsor.

At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor.

The SPONSOR shall give, and the PURCHASER shall accept such title as a reputable title insurance company doing business in the State of New York shall be willing to approve and insure, subject to the following which may be given and recorded at any time prior or after the delivery of the deed and such deed shall be deemed subject thereto:

(a) Zoning and building restrictions and regulations of the jurisdiction wherein the building is or is to be located and amendments and additions thereto in effect at the date of closing of title, provided same does not prohibit the erection and maintenance of the structure referred to herein; and Any state of facts an accurate survey or physical inspection may show, in accordance with the terms hereof, provided the same does not render title unmarketable; and

(b) Encroachments of stoops, areaways, party walls, steps, trim, fences, curbs and/or retaining walls or party walls; and

(c) Sewer, water, gas, drainage, electric and telephone easements, and any other utility easements; and

(d) Covenants, easements, agreements, declarations, restrictions, reservations, set-back lines, driveway and party wall agreements, affecting said premises, providing same does not prohibit the erection and maintenance of the structure referred to herein; and

(e) Approval, and the conditions thereof, by the building department and any other governmental boards, departments or agencies as to the building, plot layout, plot grade, retaining or curb walls and street; and

(f) City Planning Commission, Board of estimate and Zoning Lot Declarations, and or agreements; and

SPONSOR may pay and discharge any liens or encumbrances not provided for in this contract out of the money to be paid by PURCHASER at the closing. The existence of unpaid taxes or liens or encumbrances of any kind at the time of closing shall not constitute an objection to title provided that the title company insuring the mortgage hereinbefore set forth shall be willing to insure against collection of the same from the premises.

Purchaser hereby accepts and approves the Plan (including the Declaration, By-laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

12. DEFAULT BY PURCHASER

(A) TIME IS OF THE ESSENCE regarding Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of the Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default is not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder up to 10% of the purchase price (including any amounts paid by Purchaser and actually incurred for additional work in the Unit), together with any non-IOLA interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b)

Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

(B) The closing of title shall take place upon Sponsor's thirty (30) days written notice. If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser shall be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to an annual rate of 16% per annum of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

13. SPONSOR'S INABILITY TO CONVEY THE UNIT

If SPONSOR is unable to deliver transfer title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations as set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement.

If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with any *non-IOLA* interest earned thereon, if any, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (to acquire title subject to such inability).

14. **BREACH OF PURCHASE AGREEMENT BY PURCHASER.** Should PURCHASER willfully violate, repudiate, or fail to keep any of the promises made under this Agreement, for which default remains uncured for fifteen (15) days after written notice of such default from SPONSOR, SPONSOR, may, at its option, retain all or any part of the monies paid on account hereunder, including price of any custom work ordered, as liquidated damages, in which event the parties shall be discharged of all further liability hereunder. The provisions shall apply whether construction has commenced and regardless of any sale of the property subsequent to PURCHASER'S default, if such default results in a delay in the closing of title from the date and time fixed pursuant to this Purchase Agreement, the PURCHASER will only be permitted to cure the default and close within such fifteen (15) day period on condition that all adjustments shall be made as of the date originally fixed for the closing of title.

15. SUBORDINATION OF PURCHASE AGREEMENT TO BUILDING LOAN MORTGAGE.

The PURCHASER agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building 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 incurred, pursuant to the terms thereof, to the full extent thereof without the execution of any further legal documents by the PURCHASER. 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 the lender's right to make advances before they become due in accordance with the schedule of payments. SPONSOR shall satisfy all such mortgages or obtain a release of the unit from the lien of such mortgage at or prior to the closing date, except for the individual mortgage covering the mortgage loan taken out by the Purchaser, if any, whether same be by extension, assumption, consolidation or otherwise.

16. RISK OF LOSS. The risk of loss or damage to the house by fire or any other cause until the delivery of the deed is assumed by the SPONSOR, provided that the PURCHASER has not taken possession of the premises, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to the Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the proceeding sentence shall survive closing of title.

In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with any *non-IOLA* interest thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon. as and for liquidated damages.

A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

17. POSSESSION BY PURCHASER PRIOR TO CLOSING. It is expressly understood and agreed that the PURCHASER shall in no event take possession of the premises prior to the time of the delivery of the deed and full compliance by the PURCHASER with the terms of this Agreement, and should the PURCHASER violate this provision, the PURCHASER consents that the SPONSOR shall have the right to remove the purchaser from the premises as a squatter and intruder by summary proceedings. Upon the PURCHASER'S unauthorized possession, the PURCHASER shall be deemed in default hereunder, at the option of the SPONSOR and, upon such election, the amount paid hereunder shall belong to the SPONSOR as liquidated damages and the contract shall be deemed cancelled, it is further understood and agreed that the SPONSOR will not be responsible for damage or loss to any property belonging to the PURCHASER, whether same is delivered to the property on or after closing of title herein. Notwithstanding the above,

SPONSOR may, in its sole discretion, enter an interim lease with the Purchaser under the terms set forth in the offering plan.

18. ACCEPTANCE OF DEED; FULL COMPLIANCE BY SPONSOR. Anything in the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of closing of title hereunder shall constitute full compliance by the SPONSOR with the terms of this Agreement and none of the terms hereof, except as otherwise herein expressly provided shall survive the delivery and acceptance of the deed. This provision shall not discharge liability or terminate the continuing effect of representations made by Sponsor in the Offering Plan.

Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use and occupancy of the Unit. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, the Sponsor and Purchaser will agree to include in the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following closing of title. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser will receive two (2) business days' notice that the Unit is available for inspection. If Purchaser fails to inspect the Unit within said two (2) day period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain, and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

19. EXTRAS. Any extras ordered by PURCHASER shall be paid for in full at the time of selection. If for any reason SPONSOR fails to install said extras in accordance with the work order, the limit of SPONSOR liability is a refund of the amount of the charge.

20. EXECUTION OF REQUIRED DOCUMENTS. PURCHASER agrees to deliver to SPONSOR all documents and to perform all acts required by SPONSOR to carry out the provisions of all applicable laws and regulations. This paragraph shall survive delivery of the deed.

21. ASSIGNABILITY NOTICE. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators and/or assigns. The PURCHASER agrees that it will not record or assign this Agreement or any of the rights hereunder. It is expressly understood and agreed that the PURCHASER will in no event assign this contract without the written consent of the SPONSOR. Any notice to be given hereunder shall be in writing and sent by mail to the parties at the addresses given or at such address as either party may hereafter designate to the other in writing.

22. THE HOUSING MERCHANT IMPLIED WARRANTY APPLIES TO THIS CONTRACT. SUCH WARRANTY HAS BEEN MODIFIED AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT AS AN EXHIBIT. THE EXPRESS TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED IN THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. The PURCHASER acknowledges that a written copy of the express terms of the Limited Warranty has been provided in writing to the PURCHASER prior to the time of the PURCHASERS execution of this Agreement in lieu of any other warranties, express and implied, in connection with this transaction. The terms and conditions of the Limited Warranty shall survive delivery of the Deed.

23. BROKER: The parties agree that real estate broker(s) _____ brought about the sale and PURCHASER agrees to indemnify SPONSOR against any claim brought by anyone else for brokerage fees based upon PURCHASER'S acts. SPONSOR agrees to pay the broker(s) pursuant to separate agreement. Such commission shall not be deemed to be earned nor shall the same be due or payable unless and until title closes pursuant to the provisions hereof.

24. PURCHASERS AGENTS FOR EACH OTHER. If two or more persons are named as the PURCHASER herein, any one of them is hereby made agent for the other in all matters of any and every kind of nature affecting the premises herein or this Agreement.

25. PURCHASER'S RIGHT TO ENTER. PURCHASER understands and agrees that at no time may Purchaser and its family or friends enter this or any premises under construction without the express written consent of the SPONSOR and in the presence of the designated employees of the SPONSOR.

26. MORTGAGE COMMITMENT. Once the mortgage commitment is issued by the lender, its withdrawal by said lender based upon any willful change in PURCHASER'S circumstances shall still obligate PURCHASER to close or his or her deposit shall belong to the SPONSOR. It is the obligation of PURCHASER to keep the Mortgage commitment in full force until the closing of title. However, 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 commitment after the contingency period expires, performance is excused, and seller must grant to such purchaser a right of rescission and a reasonable period to exercise such right.

27. CONFLICTING LANGUAGE. Any inconsistencies or conflict between the terms and conditions of the Purchase Agreement and the representation in the Offering Plan shall be resolved according to the terms of the Offering Plan.

28. EXECUTION. This document may be executed in several counterparts, each of which will be deemed original, and all such counterparts together will constitute one and the same instrument. Each signature on this document may be executed via an inked or "wet" signature or via an electronic signature such as facsimile, electronic mail, cloud-based server, e-signature technology or other electronic means ("Electronic Means"), and the executed signature, witness (if any) and acknowledgment (if any) may be delivered by Electronic Means and such electronic signatures will be deemed originals and have the same validity, legal effect as an original inked or "wet" signature.

SPONSOR/SELLER:

WALLACE AVENUE BUILDERS, LLC

By: _____
Authorized Signatory

Purchaser

Purchaser

Escrow Agent – Joseph A. D’Amico, Esq.

RIDER TO CONTRACT
ESCROW TRUST FUND RIDER

SELLER: WALLACE AVENUE BUILDERS, LLC

PURCHASER: _____

PREMISES: FOREST HILL ROAD, UNIT # _____, STATEN ISLAND, NY 10314

This is a Rider to a Purchase Agreement (the "Agreement") dated _____, 202__ between the above Seller and Purchaser with respect to the Premises. In the event of any conflict between the provisions of this Rider and the provisions of the Agreement, the provisions of this Rider shall control.

This Rider is intended to replace and substitute for Paragraph 4 of the Purchase Agreement which paragraphs shall be deemed removed from the Purchase Agreement.

1. Joseph A. D'Amico, Esq., with an address at 114 Seguire Avenue, Staten Island, NY 10309, telephone number (718) 984-3100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Joseph A. D'Amico, 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.
2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.
3. The Escrow Agent will establish the escrow account at Northfield Bank, located at 6420 Amboy Road, Staten Island, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Joseph A. D'Amico, Esq., IOLA Attorney Trust Account for Forest Hill West Condominium ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.
4. All Deposits received 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 Joseph A. D'Amico, Esq., as Escrow Agent.
5. The Escrow Account will be an interest-bearing Interest-On- Lawyers-Account ("IOLA") established pursuant to Judiciary Law 497 and any interest to be earned on the Deposit will be credited to the New York IOLA Fund and not to Sponsor or Purchaser notwithstanding anything to the contrary in this Agreement or the Plan. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.
6. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.
7. 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.

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

9. 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 an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

10. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 39 upon closing of title to the Unit; or

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

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

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

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

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

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

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

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

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

13. 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).

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

15. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

16. 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.

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

18. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

19. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

Accepted and Acknowledged:

SELLER:

WALLACE AVENUE BUILDERS, LLC

By: _____

Name: _____

Title: Authorized Signatory

PURCHASER:

ESCROW AGENT:

JOSEPH A. D'AMICO, ESQ.

PURCHASER(S) ACKNOWLEDGE RECEIPT OF THE HEREINBELOW LIMITED WARRANTY PURSUANT TO THE PROVISIONS OF THE CONTRACT OF SALE TO WHICH THIS LIMITED WARRANTY IS ANNEXED.

Rev. 4/2/90

LIMITED WARRANTY

Warranty No. _____

NAME OF PURCHASER(S) _____

ADDRESS OF PURCHASER(S) _____

DESIGNATION OF
HOME WARRANTED

NAME OF BUILDER

ADDRESS OF BUILDER

BUILDERS LIMIT OF TOTAL LIABILITY:

Seventy-five (75%) percent of the purchase price of the Home set forth in the Purchase Agreement to which this Limited Warranty is annexed as an exhibit.

NOTE: THIS LIMITED WARRANTY EXCLUDES ALL CONSEQUENTIAL, INCIDENTAL SPECIAL AND INDIRECT DAMAGES EXCEPT AS REQUIRED BY LAW. THIS LIMITED WARRANTY EXCLUDES ALL OTHER WARRANTIES OF EVERY KIND, EXPRESS AND IMPLIED, ON THE CONSTRUCTION AND SALE OF THE HOME, ITS WORKMANSHIP AND MATERIALS, AND ITS FITNESS FOR USE AND HABITABILITY. THIS LIMITED WARRANTY IS ACCEPTED BY THE PURCHASER IN LIEU OF ALL OTHER WARRANTIES. THE BUILDER MAKES NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE BUILDER'S RESPONSIBILITIES FOR DEFECTS OF A LATENT OR HIDDEN NATURE THAT WOULD NOT HAVE BEEN FOUND OR DISCLOSED ON THE FINAL INSPECTION.

1. TO WHOM GIVEN. This Limited Warranty is extended exclusively to the Purchaser named on page 1 of this Limited Warranty, while the named Purchaser owns the Home. It does not extend to subsequent owners of the Home, tenants or mortgagees in possession of the Home, any Person who may succeed to the rights of the Purchaser or to any other Person.

2. BY WHOM MADE. This Limited Warranty is made exclusively by the Builder whose name and address appear on page 1 of this Limited Warranty.

3. FINAL INSPECTION OF THE HOME. Before the Purchaser moves into the Home or accepts the deed, the Builder will set up an appointment for the Final Inspection with the Purchaser. The purpose of the Final Inspection is to discover any Defects of a visible, apparent or patent nature, or any unfinished work.

Defects in the Home found on the Final Inspection will be itemized on a Final Inspection Form, annexed hereto as Schedule D, that includes a schedule for each item that will be corrected or completed. The Final Inspection Form will be signed by the Purchaser and the Builder before occupancy of the Home or transfer of the deed.

The purpose of this Limited Warranty is to identify the Builder's responsibilities for Defects of a latent or hidden kind that would not have been found or disclosed on the Final Inspection.

When the Purchaser moves into the Home or accepts the deed, the Builder's responsibility is limited to:

(a) completion of items shown on the Final Inspection Form, as provided in the Final Inspection Form, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as contained in this document.

4. DEFINITIONS. As used in this Limited Warranty, the following terms have the following meanings:

(a) "Builder" means the Person identified as the Builder on page 1 of this Limited Warranty.

(b) "Building Code" means the Building Code of the City of New York, Title 27 of the Administrative Code of the City of New York, as the Code exists on the Warranty Date.

(c) "Consumer Product" shall include, but not be limited to, any appliance, piece of equipment, or other item which is a "consumer product" under the Magnusson-Moss Warranty Act, 15 USC section 2301 et seq., and which is installed in the Home by the Builder. Examples of Consumer Products include, when installed by the Builder: air purifiers, kitchen appliances, refrigerators, freezers, ovens, stoves, microwaves, mixers, sinks,

toilets, bathtubs, compactors, garbage disposals, dishwashers, fans, faucets and plumbing fixtures, clothes washers, clothes dryers, water heaters, water softeners, humidifiers, pumps, furnaces, oil tanks, gas tanks, heaters, air conditioners, light fixtures, circuit breakers, floor coverings, windows, doors, door openers, siding, brick, and roofing.

(d) "Defect" means defective workmanship performed by the Builder and defective materials supplied by the Builder, determined solely by reference to the specific standards of the Building Code and the Locally Accepted Building Practices. The term Defect does not include a condition in the Home that would have been apparent or ascertainable upon the Final Inspection. A condition that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise, is not a Defect within the meaning of this Limited Warranty. Unless otherwise indicated, the term "Defect" shall be deemed to include "Major Structural Defects".

(e) "Electrical System" means the following items, if installed in the Home by the Builder: electrical wiring, electrical boxes, switches, outlets and connections up to the public utility connection; cable television systems; intercom systems; burglar, fire and smoke alarm systems. The Electrical System does not include any Consumer Product.

(f) "Final Inspection" means the final inspection of the Home prior to the Purchaser's acceptance of the deed as referred to in Paragraph 12 of the purchase agreement to which this warranty is annexed as a exhibit.

(g) "Heating/Cooling/Ventilation System" means the following items, if installed in the Home by the Builder: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers. The Heating/Cooling/Ventilation System does not include any Consumer Product.

(h) "Home" means the property constructed by the Builder and sold to the Purchaser, as identified in the purchase agreement between the Builder and the Purchaser.

(i) "Locally Accepted Building Practices" means the performance standards annexed to and incorporated in this Limited Warranty as Schedule A.

(j) "Major Structural Defects" means Defects resulting in actual physical damage to the Major Structure of the Home caused by failure of the Major Structure which affects its load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable.

(k) "Major Structure" means the following portions of the Home that are load-bearing: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems. Major Structure does not include nonload-bearing portions of the Home such as: roofing and sheathing; roof shingles and tar paper; drywall, lathes and plaster; exterior siding; brick, stone, stucco and veneer; flooring and subflooring material; floor covering material; wall tile or paper and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of

the Home; Electrical System, Plumbing System, Heating/Cooling/Ventilation System; Consumer Products, appliances, fixtures and items of equipment; paint and stains; doors and windows; trim; cabinets; hardware; insulation.

(l) "Person" means any individual, partnership, corporation, or other legal entity.

(m) "Plumbing System" means the following items, if installed in the Home by the Builder: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system. The Plumbing System does not include any Consumer Product.

(n) "Purchaser" means the Person identified as the Purchaser on page 1 of this Limited Warranty, while such Person owns the Home.

(o) "Purchaser's Family" means "Family Member" as defined in Section 2520.6 (o) of the Rent Stabilization Code for Rent Stabilized Apartments in New York City.

(p) "Residential Occupancy" means occupancy of any portion of the Home for residential purposes by any Person, their designee or invitee.

(q) "Warranty Date" means the date that the Purchaser, or a member of Purchaser's Family, takes title to the Home, or the date on which any Person begins Residential Occupancy of the Home, whichever date is earlier.

5. PRODUCTS AND PARTS COVERED BY LIMITED WARRANTY. Coverage A of this Limited Warranty applies to those parts of the Home that have been constructed by the Builder and to those Consumer Products that have been installed in the Home by the Builder. Coverage A does not apply to any part of the Home that has been constructed, altered or damaged by any Person other than the Builder or to any Consumer Product that has been installed, altered or damaged by any Person other than the Builder.

Coverage B of this Limited Warranty applies to those products or parts of the Plumbing System, Electrical System, and Heating/Cooling/ Ventilation System that have been installed by the Builder. Coverage B does not apply to any products or parts that have been installed, altered or damaged by any Person other than the Builder. Coverage B does not extend to any Consumer Product.

Coverage C of this Limited Warranty applies to those parts of the Major Structure that have been constructed by the Builder. Coverage C does not apply to any part of the Major Structure that has been constructed, altered or damaged by any Person other than the Builder.

Coverages A, B and C are subject to the definitions, limitations, exclusions, and all other terms and conditions of this Limited Warranty.

6. WARRANTY COVERAGE PERIODS. Warranty coverages A, B and C begin on the Warranty Date. The warranty coverages end as follows:

COVERAGE A: one year following the Warranty Date;
 COVERAGE B: two years following the Warranty Date;
 COVERAGE C: six years following the Warranty Date.

No fact, condition or circumstance delays or extends the Warranty Date or any time or period of warranty coverage.

7. WARRANTY COVERAGES

COVERAGE A: The Builder warrants to the Purchaser that, for one year following the Warranty Date, the Home will be free from Defects due to failure by the Builder to have constructed the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices. The above coverage shall include, but not be limited to, Builder's warranty that the roof and basement of the Home shall be free from leaks.

The Builder further warrants to the Purchaser that, for one year following the Warranty Date, Consumer Products installed in the Home by the Builder will be free from Defects due solely to faulty installation by the Builder. (For Consumer Products, see further details in paragraph 10 of this Limited Warranty, below.)

COVERAGE B: The Builder warrants to the Purchaser that, for two years following the Warranty Date, the Plumbing System, Electrical System, and Heating/Cooling/Ventilation System of the Home will be free from Defects due to failure by the Builder to have installed such systems in the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices.

The Builder reserves the right to substitute to the Purchaser at closing written warranties of the Builder's plumbing, electrical, heating, cooling, or ventilation system subcontractors, by providing written copies of such warranties to the Purchaser. Said warranties will be in substantial conformance with the performance standards annexed hereto as Schedule A. In the event of such substitution, the Purchaser's coverage will be limited to said substituted warranties and the Purchaser will address any requests for warranty service under Coverage B and any warranty claims under Coverage B to the subcontractor, with a copy of any written request or claim to the Builder.

COVERAGE C: The Builder warrants to the Purchaser that, for six years after the Warranty Date, the Major Structure of the Home will be free from Major Structural Defects due to faulty workmanship performed by the Builder or defective materials supplied by the Builder.

The Builder reserves the right to substitute to the Purchaser at closing insurance coverage from a licensed insurance carrier or risk retention group to be selected by the Builder by providing written copies of such insurance policy to the Purchaser substantially in conformance with the terms and conditions contained in the standard insurance policy issued by Home Buyers Warranty Corporation for six year structural coverage. In the event of such substitution, the Purchaser's coverage will be limited to said substituted insurance policy and the Purchaser will address any requests for warranty service under Coverage C and any warranty claims under Coverage C to the insurance carrier or risk retention group, with a copy of any written request or claim to the Builder.

8. SPECIAL PROVISIONS FOR CONDOMINIUMS. If the Home is a condominium unit, see the Condominium Rider annexed hereto as Schedule B for special provisions affecting condominium units.

9. EMERGENCY ACCESS: Purchaser also understands and agrees that if emergency repairs are needed on Purchaser's Home or adjoining Home(s) and the Purchaser cannot be contacted within a reasonable period of time, the Purchaser waives advance notice. Such entry, with or without notice, shall be made with as little inconvenience as possible to the Purchaser.

10. CONSUMER PRODUCTS This Limited Warranty covers Consumer Products only during the first year and only to the extent of Defects caused solely by faulty installation by the Builder. Damage caused or made worse by any manufacturer's or distributor's defect, by installation by any Person other than the Builder, from misuse by the Purchaser or user, or from a malfunction of an electric company, gas company, water supplier or any other utility is not covered.

The Builder conveys and assigns to the Purchaser, to the extent that they are assignable, all warranties provided to the Builder on any Consumer Products and manufactured items that have been installed by the Builder in the Home. The Purchaser accepts this assignment and acknowledges that the Builder's only responsibility relating to such assigned warranties is to lend assistance to the Purchaser in settling claims under the assigned warranties.

11. EXCLUSIONS FROM COVERAGE. The following are excluded from coverages A, B, and C, except as otherwise noted below:

(a) Loss or damage caused by workmanship performed by any person other than the Builder.

(b) Loss or damage caused by defective materials supplied by any person other than the Builder.

(c) Loss or damage caused by defective design, unless the design professional was retained exclusively by the Builder.

(d) Loss or damage that would have been apparent or ascertainable upon the Final Inspection.

(e) Loss or damage that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise.

(f) Defects in outbuildings including, but not limited to, detached garages and detached carports (except outbuildings which contain the Plumbing System, Electrical System, or Heating/Cooling/Ventilation System serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); deck areas; curbs; sidewalks; off-site improvements or any other improvements not a part of the dwelling structure itself.

(g) Defects in concrete floors of basements or concrete floors of attached garages that are built separately from foundation walls or other structural elements of the Home.

(h) Damage to real property which is not part of the Home covered by this Limited Warranty and which is not included in the purchase price of the Home.

(i) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Builder; or

(ii) failure by the Purchaser or anyone other than the Builder to comply with the warranty requirements of manufacturers or suppliers of Consumer Products, appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Builder of any Defects or damage in the manner set forth in paragraph 14 of this warranty; or

(iv) changes in the grading of the ground by anyone other than the Builder;
or

(v) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of any Person other than the Builder to maintain adequate ventilation.

(j) Any condition which does not result in actual physical damage to the Home, including but not limited to uninhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde, or other pollutants and contaminants, or the presence of hazardous or toxic on-site materials.

- (k) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, hurricane, tornado, mudslide, earthquake, volcanic eruption, wind-driven water, or changes in the underground water table.
- (l) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a Defect and is not due to condensation or improper grading of land other than the grades established by the Builder.
- (m) Loss or damage caused by soil movement for which compensation is provided by legislation.
- (n) Changes, alterations, or additions made to the Home by anyone after initial occupancy or acceptance of the deed, except those performed by the Builder to meet warranty obligations under this Limited Warranty.
- (o) Loss or damage which is covered under any other warranty or insurance policy.
- (p) Loss or damage which the Purchaser has not taken timely action to mitigate.
- (q) Normal wear and tear and normal deterioration.
- (r) Insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests.
- (s) Bodily injury, personal injury, death, or loss or damage to personal property.
- (t) Failure of the Builder to complete construction of the Home.
- (u) Loss or damage which arises while the Home is being used primarily for nonresidential purposes or which arises as the result of nonresidential use.
- (v) Loss or damage due to loading on floors by the Purchaser which exceeds design loads as established by the Building Code.
- (w) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to inconvenience, relocation, or loss of use, during repair.
- (x) Consequential, incidental, special and indirect damages.
- (y) Loss or damage arising from any claim not filed in strict compliance with the procedures set forth below in paragraph 14, "Step-by Step Claims Procedures" with respect

to any claim. PURCHASER'S FAILURE TO COMPLY WITH ANY OF THE PROCEDURES SET FORTH IN PARAGRAPH 14 WITH RESPECT TO A CLAIM WILL VOID SAID CLAIM UNDER THIS LIMITED WARRANTY.

(z) Loss or damage of any kind in excess of the Builder's Total Limit of Liability, as indicated on page 1 of this Limited Warranty.

(aa) Loss or damage to any improvements or additions to the Home made by the Purchaser.

(bb) Loss or damage to the Home which cannot be remedied due to the Builder's inability to gain reasonable access to the affected area because of the Purchaser's improvements or additions to the Home.

(cc) Defects in any work or materials ordered directly by the Purchaser from the Builder's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental, consequential, special or indirect damages resulting from such work or materials;

(dd) Raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves) and on facias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows, sliding doors, screens, electric fixtures and globes, woodwork and doors; dented appliances; broken screens; and minor chips (nicks) to cultured marble floors and countertops;

12. PURCHASER'S RESPONSIBILITIES

The Home requires active maintenance effort on the Purchaser's part to reduce the likelihood of damage due to neglect, improper maintenance, abnormal use or any other use proscribed under applicable law. Some specific Purchaser's responsibilities are set out in the performance standards of the Locally Accepted Building Practices, attached to and included in this Limited Warranty as Schedule A. The Purchaser is required to abide by all operating instructions provided by the Builder or by any manufacturer or supplier of component parts of the Home.

The Purchaser is required, prior to the time that the Builder has received notice of a claim, to use reasonable efforts to timely mitigate damages caused by a Defect. Except in the event of an actual emergency, the Purchaser's obligation to mitigate damages will not require the Purchaser to expend any monies to mitigate damages. The Builder will be required to reimburse the Purchaser for any monies reasonably expended by the Purchaser to mitigate damages in the event of an actual emergency.

NOTE: DAMAGE CAUSED OR MADE WORSE BY HOME OWNER NEGLIGENCE, IMPROPER MAINTENANCE, IMPROPER OPERATION, ILLEGAL USE OR THE PURCHASER'S FAILURE TO TIMELY MITIGATE DAMAGES IS EXPRESSLY EXCLUDED FROM COVERAGE UNDER THIS LIMITED WARRANTY.

Further responsibilities of the Purchaser are described in section 14 of this Limited Warranty, below.

13. WHAT THE BUILDER WILL DO. If a Defect occurs in an item covered by this Limited Warranty, the Builder will repair, replace or pay the Purchaser the reasonable fair market cost of repairing or replacing the defective item(s) within sixty (60) days after the Builder's inspection or testing discloses the problem, subject to Acts of God, weather conditions, availability of materials and other events and circumstances beyond the Builder's control. The choice among repair, replacement or payment is solely that of the Builder. In making any repairs or replacements, the Builder will have the sole right to select the method and materials to be used in performing such repairs or replacements.

In the case of a Defect that is identified in the Locally Accepted Building Practices, the Builder will respond according to the "Builder Correction" as described in the Locally Accepted Building Practices.

In no event will the Builder's total liability for deficiencies under this Limited Warranty exceed the Builder's Limit of Total Liability, shown on page 1. Any payments made by the Builder or the fair market cost of repairs and/or replacements made by the Builder will be applied to reduce the Builder's Limit of Total Liability set forth on page 1 of this Limited Warranty.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (1) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, unsanitary or otherwise unlivable.

When the Builder finishes repairing or replacing the Defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the Defect must be signed by the Purchaser and delivered to the Builder. In the event the Purchaser fails to execute a full release, the Builder will notify the Purchaser as to what action(s) it has taken with respect to the applicable Defect and thereafter the Builder will be deemed to have complied with all of its obligations under this Limited Warranty with respect to the applicable Defect.

14. STEP BY STEP CLAIMS PROCEDURES. If the Purchaser believes that a Defect has occurred in an item covered by this Limited Warranty, the Purchaser must take the following steps:

(a) Written notice of any warranty claim must be made on the "Notice of Warranty Claim Form" annexed hereto as Schedule B, and must be actually received by the Builder identified on page 1, no later than the tenth (10th) business day after warranty coverage on that item expires. Notice of any warranty claim must be given by the Purchaser to the Builder as follows: (1) by hand, with a written acknowledgement receipt from the Builder, or (2) by certified or registered mail, return receipt requested. If this Notice of Warranty Claim Form is not properly completed and received by the Builder by that deadline, the Builder will have no duty to respond to any complaint or demand, and any or all claims may be rejected. **FAILURE TO COMPLETE AND DELIVER THE NOTICE OF WARRANTY CLAIM TO THE BUILDER VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.**

(b) No steps taken by the Builder, Purchaser or any other person to inspect, test or correct defects will extend the period of warranty coverage or any other time period under this Limited Warranty. Steps taken by the Builder in response to an improperly completed or untimely Notice of Warranty Claim will not give rise to any liability of the Builder to the Purchaser and will not prejudice or otherwise affect any right of the Builder, including but not limited to the Builder's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Builder and the Builder's agents will have the right to inspect and test the portion of the Home to which the claim, complaint or request relates. The Purchaser and occupants of the Home must provide Reasonable Access to the Builder and the Builder's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement.

"Reasonable Access" by the Purchaser for inspection, testing and completion of the work will (a) require the Purchaser or its representative to be physically present during any work period and (b) require the Purchaser and occupants of the Home to allow the Builder to inspect, test and complete the work and not obstruct the Builder in any way during the Builder's performance of its duties. In the event, after a work appointment has been set by the Builder and the Purchaser, the Purchaser (and/or occupants, as required) fails to provide Reasonable Access to the Builder, the Builder will have the right to assess the Purchaser a \$50.00 service fee.

IN THE EVENT, AFTER A SECOND WORK APPOINTMENT HAS BEEN SET BY THE BUILDER AND THE PURCHASER, THE PURCHASER (AND/OR OCCUPANTS, AS REQUIRED) AGAIN FAILS TO PROVIDE REASONABLE ACCESS TO THE BUILDER, THE PURCHASER WILL BE ESTOPPED FROM ASSERTING ANY CLAIMS WITH RESPECT TO THE APPLICABLE DEFECT UNDER THIS LIMITED WARRANTY AND THE BUILDER WILL BE DEEMED TO HAVE COMPLIED WITH ALL OF ITS OBLIGATIONS UNDER THIS LIMITED WARRANTY WITH RESPECT TO THE APPLICABLE DEFECT.

(d) The Builder is not responsible for repairs performed by anyone other than the Builder or an authorized service representative of the Builder. The Builder will not reimburse the Purchaser for the costs of any unauthorized work or materials. The Builder will not repair or replace an item that has been repaired, altered or replaced by anyone other than the Builder or the Builder's authorized service representative. A LIST OF THE BUILDER'S AUTHORIZED SERVICE REPRESENTATIVES IS ATTACHED TO THIS LIMITED WARRANTY AS SCHEDULE C. USE OF UNAUTHORIZED SERVICE VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.

15. LEGAL ACTIONS.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Builder in any court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim Form as provided in paragraph 14 above.

(b) No suit, action and proceeding against the Builder under this Limited Warranty may be commenced in any court or forum more than thirty (30) days after the expiration of the applicable warranty coverage under paragraph 6 of this Limited Warranty.

16. GENERAL PROVISIONS.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Builder and the Purchaser, their heirs, executives, administrators, successors and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular.

(e) This limited warranty is to be governed in accordance with the laws of New York State.

SCHEDULE A

CONSTRUCTION QUALITY STANDARDS FOR ONE AND TWO YEAR WARRANTY COVERAGE

WORKMANSHIP/SYSTEMS COVERAGE CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. While it is virtually impossible to develop a construction standard for each possible deficiency, the construction industry and the Builder have attempted to isolate the most common deficiencies that occur and in so doing, list the extent of the Builder's and Homebuyers(s) responsibility. Where a specific deficiency has not been isolated, the standard practice of the construction industry will apply.

Homebuyers(s) should be aware that all new homes go through a period of settlement and movement. During this period, the Home may experience some minor material shrinkage, cracking and other events which are unavoidable and considered normal. The Homebuyer(s) should also be aware that he/she is responsible for proper home maintenance, such as maintaining builder set grades around the house. Damage caused by Homebuyer negligence, improper maintenance or changes, alterations or additions performed by anyone other than the Builder, his/her employees, or subcontractors is excluded from the warranty.

The following Construction Quality Standards are expressed in terms of required standards that the Builder's construction must meet. Non-compliance with these construction standards calls for corrective action by the Builder.

1. SITE WORK

1.1 EXCAVATING AND BACKFILLING

DEFICIENCY: Spilling of ground around foundation, utility trenches or other filled areas.

CONSTRUCTION STANDARD:

Settling of ground around utility trenches or other filled areas: maximum allowable 6 inches. Settling of backfill around foundation shall not interfere with water drainage away from the house.

BUILDER CORRECTION:

Upon request from the buyer, the Builder shall recompact and backfill excessively settled areas one time only during the first year of warranty. The owner shall be responsible for any grass, shrubs or other landscaping affected by placement of such fill.

1.2 SITE DRAINAGE

DEFICIENCY: Improper drainage of the site.

CONSTRUCTION STANDARD:

The necessary grades and swales should be established to insure proper drainage away from the house. Site drainage is limited to the immediate grades and swales affecting the structure. No standing or ponding of water should remain in this immediate area twenty-four (24) hours after a rain, except swales which may drain longer than other areas after a rain, or sump pump discharge. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

BUILDER CORRECTION:

The Builder is responsible only for establishing the proper grades and swales. The owner is responsible for maintaining such grades and swales once they have been properly established and stabilized by the Builder.

1.3 CRAWL SPACES

DEFICIENCY: Water in crawl space.

CONSTRUCTION STANDARD:

Crawl spaces should be graded and drained properly to prevent water from accumulating in the crawl space area.

BUILDER CORRECTION:

The Builder is responsible for providing proper grading and drainage of crawl space areas. Water should not be present in the crawl space area thirty (30) days after the owner has closed on a home.

2. CONCRETE

2.1 EXPANSION AND CONTRACTION JOINTS

DEFICIENCY: Separation or scaling of concrete slabs within the structure or at expansion or contraction joints.

CONSTRUCTION STANDARD:

Concrete slabs within the structure are designed to move at expansion and contraction joints. Movement caused by expansion and contraction should not cause cracks and voids to appear in the slab.

BUILDER CORRECTION:

Builder to take whatever corrective action is necessary to repair excessive cracks and voids. If cracking and movement are within designed tolerances then no correction is necessary.

2.2 CAST-IN-PLACE CONCRETE (NON-STRUCTURAL)

DEFICIENCY: Basement or foundation wall cracks.

CONSTRUCTION STANDARD:

Non-structural cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch are considered excessive.

BUILDER CORRECTION:

The Builder shall repair non-structural cracks in excess of 1/8 inch. Surface patching is acceptable for non-structural cracks.

DEFICIENCY: Uneven concrete floors

CONSTRUCTION STANDARD:

Concrete floors in basements or rooms designed for habitability should not have pits, depressions or areas of unevenness that would prevent its use as a finished floor or exceeding 1/4 inch slope in 32 inches. The floor slope, unless designed for specific drainage purposes, shall not exceed 1/240 of the room width. Structural slab foundation systems that have experienced some movement but are within the foundation's design performance criteria are excluded from this standard.

BUILDER CORRECTION:

Builder to correct or repair to meet the above standard.

DEFICIENCY: Pitting, scaling or spalling of non-excluded concrete work and attached porch concrete work supported by a foundation system.

CONSTRUCTION STANDARD:

Concrete surfaces should not disintegrate to the extent that the aggregate is exposed under normal conditions of weathering and use.

BUILDER CORRECTION:

Builder to take whatever corrective action necessary to repair or replace defective concrete surfaces. The Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond the Builder's control.

DEFICIENCY: Excessive powdering or chalking of non-excluded concrete surfaces.

CONSTRUCTION STANDARD:

Powdering or chalking of concrete surfaces is not permissible, but should not be confused with surface dust.

BUILDER CORRECTION:

The Builder shall take whatever corrective action is necessary to repair or resurface defective areas.

DEFICIENCY: Standing water on stoops.

CONSTRUCTION STANDARD:

Water should drain from outdoor stoops and steps. During and immediately following a rain, minor water standing is permissible.

BUILDER CORRECTION:

The Builder shall take corrective action to assure drainage of stoops and steps.

DEFICIENCY: Cracking of basement floor.

CONSTRUCTION STANDARD:

Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch width or 1/8 inch in vertical displacement are considered excessive.

BUILDER CORRECTION:

Builder should repair cracks exceeding maximum tolerances by surface patching or other methods as required.

DEFICIENCY: Cracking of attached garage slab.

FORM 1017 (1/1/01) (REV. 10/01)

CONSTRUCTION STANDARD:

Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement are considered excessive and unacceptable. (See expansion joints)

BUILDER CORRECTION:

Builder shall repair excessive cracks as required.

DEFICIENCY: Cracking, settling, heaving or separating of structurally attached stoops or steps.

CONSTRUCTION STANDARD:

Stoops or steps should not settle, heave or separate in excess of 1 inch in relation to the house structure. No cracks except hairline cracks less than 1/16 inch are acceptable in structurally attached concrete stoops.

BUILDER CORRECTION:

Builder shall take whatever corrective action is required to meet acceptable standards.

DEFICIENCY: Cracks in structurally attached patios with footing or foundation system.

CONSTRUCTION STANDARD:

Cracks in excess of 1/4 inch in width or 1/8 inch in vertical displacement are considered excessive and unacceptable in structurally attached patios.

BUILDER CORRECTION:

Builder to repair as required.

DEFICIENCY: Cracks in concrete slab-on-grade finished floors.

CONSTRUCTION STANDARD:

Cracks which significantly impact the appearance or performance of the finish flooring material shall not be acceptable.

BUILDER CORRECTION:

The Builder shall repair cracks as necessary so as not to be readily apparent when the finish flooring material is in place.

3. MASONRY**3.1 UNIT MASONRY (NON-STRUCTURAL)**

DEFICIENCY: Basement or foundation non-structural wall cracks.

CONSTRUCTION STANDARD:

Small non-structural cracks are not unusual in mortar joints of masonry foundation walls. Such cracks greater than 1/8 inch in width are considered excessive.

BUILDER CORRECTION:

The Builder shall repair non-structural cracks in excess of 1/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warranty period.

DEFICIENCY: Cracks in masonry walls or veneer.

CONSTRUCTION STANDARD:

Small cracks are common in mortar joints of masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

BUILDER CORRECTION:

Repair cracks in excess of 3/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warranty period to permit normal settling and stabilizing of the home.

4. WOOD AND PLASTICS**4.1 ROUGH CARPENTRY**

DEFICIENCY: Floor squeak or subfloor appears loose.

CONSTRUCTION STANDARD:

Floor squeaks and loose subfloor are often temporary conditions common to new home construction.

BUILDER CORRECTION:

Builder should locate and make a reasonable effort to correct the problem.

DEFICIENCY: Uneven wood floors.

CONSTRUCTION STANDARD:

Finished floors should not have ridges or depressions exceeding 1/4 inch in a 32 inch measurement, when measured parallel to the floor joists. Floor slope within any room shall not exceed 1/240 of the room width. Allowable floor and ceiling joist deflections should be taken into consideration when measuring.

BUILDER CORRECTION:

Builder will correct to standard only if caused by an underlying construction defect.

DEFICIENCY: Bowing walls.

CONSTRUCTION STANDARD:

All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the walls' finished surface. Allowable structural deflections are governed by the approved building code specifications, however bowing greater than 1/240 of the wall length will be considered unacceptable.

BUILDER CORRECTION:

Repair interior and exterior walls as required.

DEFICIENCY: Out of plumb walls.

CONSTRUCTION STANDARD:

Walls should not be more than 1/2 inch out of plumb for any 8 foot vertical measurement.

BUILDER CORRECTION:

Builder to repair to meet the above standard.

4.2 FINISH CARPENTRY — INTERIOR

DEFICIENCY: Quality of interior trim workmanship.

CONSTRUCTION STANDARD:

Joints in moldings or joints between moldings and adjacent surfaces should not result in joints exceeding 1/8 inch in width.

BUILDER CORRECTION:

Repair defective joints, as defined above. Caulking is acceptable.

4.3 FINISH CARPENTRY — EXTERIOR

DEFICIENCY: Quality of exterior trim workmanship.

CONSTRUCTION STANDARD:

Joints between exterior trim elements, including siding and masonry, should not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.

BUILDER CORRECTION:

Builder to repair open joints. Caulking is acceptable.

DEFICIENCY: Delamination or deterioration of exterior siding.

CONSTRUCTION STANDARD:

Siding should not delaminate beyond the tolerance set out in the manufacturer's specifications. Natural wood siding can be expected to weather and change color as it ages.

BUILDER CORRECTION:

Builder will repair or replace as needed unless caused by owner's failure to maintain siding properly. Repaired area of prefinished material may not match in color and/or texture. The owner can expect that the newly painted surface may not match original surface in color.

5. THERMAL AND MOISTURE PROTECTION

5.1 WATERPROOFING

DEFICIENCY: Leaks in basement.

CONSTRUCTION STANDARD:

Leaks resulting in actual trickling of water are unacceptable. However, leaks caused by improper landscaping installed by owner, or failure of owner to maintain proper grades that have been stabilized by the Builder are not covered by the warranty. Dampness of the walls may occur in new construction and is not considered a deficiency.

BUILDER CORRECTION:

The Builder shall take such action as necessary to correct basement leaks except where the cause is determined to result from owner negligence.

5.2 INSULATION

DEFICIENCY: Insufficient insulation.

CONSTRUCTION STANDARD:

Insulation should be installed in accordance with applicable energy and building code requirements.

BUILDER CORRECTION:

Install insulation in sufficient amounts to meet above standards.

5.3 SHINGLES AND ROOFING TILES

DEFICIENCY: Leaks due to snow or rain being driven into the attic through vents or louvers.

CONSTRUCTION STANDARD:

Attic vents and/or louvers must be provided in order to properly ventilate your house. Infiltration of rain or snow depends on the force and direction of the wind.

BUILDER CORRECTION:

Builder not responsible for force and direction of driving rain or snow.

5.4 ROOFING AND SIDING

DEFICIENCY: Ice build-up on roof.

CONSTRUCTION STANDARD:

During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate, and gutters and downspouts freeze up.

BUILDER CORRECTION:

This is a Homeowner's maintenance item unless the roof design is found to be improper for the weather conditions associated with the area.

DEFICIENCY: Roof or flashing leaks.

CONSTRUCTION STANDARD:

Roof and flashing should not leak under normally anticipated conditions, except where cause is determined to result from severe weather conditions, such as ice build-up.

BUILDER CORRECTION:

Builder shall correct or repair any verified roof leaks.

DEFICIENCY: Delamination of veneer siding or joint separation.

CONSTRUCTION STANDARD:

All siding shall be installed according to the manufacturer's and industry's accepted standards. Joint separation and delamination are not acceptable except where the manufacturer indicates that some shrinkage may be anticipated.

BUILDER CORRECTION:

Builder shall resecure, caulk, repair or replace to meet the above standard.

5.5 FLAT BUILT-UP ROOFING

DEFICIENCY: Standing water on flat built-up roof.

CONSTRUCTION STANDARD:

Water should drain from a flat built-up roof with minimum ponding.

BUILDER CORRECTION:

The Builder shall take corrective action to assure proper drainage of roof.

5.6 FLASHING AND SHEET METAL

DEFICIENCY: Flashing, valley, gutters and/or downspouts leak.

CONSTRUCTION STANDARD:

Flashing, valleys, gutters and downspouts must not leak but gutters may overflow during heavy rain. It shall be the Homeowner's(s)' responsibility to keep gutters and downspouts free from leaves and debris which could cause excessive overflow.

BUILDER CORRECTION:

Repair leaks.

DEFICIENCY: Water stands in gutters.

CONSTRUCTION STANDARD:

When gutter is unobstructed by debris, the water level may not exceed 1 inch.

BUILDER CORRECTION:

Industry practice is to install gutters with slight amounts of pitch. It is possible that small amounts of water will stand in certain sections of the gutter immediately after a rain.

5.7 SEALANTS

DEFICIENCY: Leaks in exterior walls due to inadequate caulking.

CONSTRUCTION STANDARD:

Joints and cracks in exterior wall surfaces and around openings should be properly caulked to exclude the entry of water. Properly installed caulking will shrink and must be maintained by the Homeowner(s) during the life of the home.

BUILDER CORRECTION:
Builder shall repair or caulk joints or cracks in exterior wall surfaces as required to correct deficiency.

6. DOORS AND WINDOWS

6.1 WOOD AND PLASTIC DOORS

DEFICIENCY: Warpage of exterior doors.
CONSTRUCTION STANDARD:

Exterior doors will warp to some degree due to temperature differential on inside and outside faces. However, they should not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association standards (1/4 inch).

BUILDER CORRECTION:

Correct or replace and refinish defective doors to match existing doors as nearly as possible.

DEFICIENCY: Warpage of interior passage and closet doors.

CONSTRUCTION STANDARD:

Interior doors (full opening) should not warp to exceed National Woodwork Manufacturers Association standards (1/4 inch), provided the proper levels of humidity have been maintained in the home.

BUILDER CORRECTION:

Correct or replace and refinish defective doors to match existing door as nearly as possible.

DEFICIENCY: Shrinkage of interior panels showing raw wood edges.

CONSTRUCTION STANDARD:

Panel will shrink and expand and may expose unpainted surface.

BUILDER CORRECTION:

None; Builder not responsible.

DEFICIENCY: Split door panel.

CONSTRUCTION STANDARD:

Split panels should not allow light to be visible or allow the weather to get through the door.

BUILDER CORRECTION:

If light is visible or the weather is getting through the door, fill split to match paint or stain as closely as possible, one time in first (1st) year.

6.2 GARAGE DOORS ON ATTACHED GARAGE

DEFICIENCY: Garage door fails to operate properly.

CONSTRUCTION STANDARD:

Garage door should operate properly.

BUILDER CORRECTION:

The Builder shall correct or adjust garage doors as required, except where the cause is determined to result from the owner installing an electric garage door opener.

DEFICIENCY: Garage door allows entrance of snow or water.

CONSTRUCTION STANDARD:

Garage door should seal properly under normal conditions.

BUILDER CORRECTION:

Some entrance of the elements can be expected under abnormal conditions. Builder shall adjust or correct garage doors or garage slab to meet normal conditions.

6.3 METAL WINDOWS

DEFICIENCY: Malfunction of windows.

CONSTRUCTION STANDARD:

Windows should operate with reasonable ease as designed.

BUILDER CORRECTION:

Builder to correct or repair as required.

DEFICIENCY: Condensation and/or frost on windows.

CONSTRUCTION STANDARD:

Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions.

BUILDER CORRECTION:

Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

6.4 WOOD AND PLASTIC WINDOWS

Refer to 6.3

6.5 WEATHERSTRIPPING AND SEALS

DEFICIENCY: Infiltration around doors and windows.

CONSTRUCTION STANDARD:

Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping is not permissible. It may be necessary for the owner to have storm windows and doors installed to provide a satisfactory solution in high wind areas.

BUILDER CORRECTION:

The Builder shall adjust or correct open cracks, poorly fitted doors or windows, or poorly fitted weatherstripping.

7. FINISHES

7.1 LATH AND PLASTER

DEFICIENCY: Cracks in interior wall surfaces.

CONSTRUCTION STANDARD:

Hairline cracks are not unusual in interior wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.

BUILDER CORRECTION:

The Builder shall repair cracks exceeding 1/8 inch as required.

7.2 GYPSUM WALLBOARD

DEFICIENCY: Defects caused by poor workmanship such as blisters in tape, excess compound in joints, cracked corner beads, or screw marks.

CONSTRUCTION STANDARD
Slight "imperfections" such as nail marks, trim lines and cracks are common in plaster and gypsum wallboard installation. However, obvious defects of poor workmanship resulting in blisters in latex or caulk, compound in runs, hollow marks and cracked corner beads are not acceptable.

BUILDER CORRECTION:
Builder to correct such items to meet acceptable standards and require repaired areas. Builder is not responsible for color variations in paint.

7.3 CERAMIC TILE

DEFICIENCY: Ceramic tile cracks and becomes loose.

CONSTRUCTION STANDARD

Ceramic tile should not crack or become loose.

BUILDER CORRECTION:

The Builder shall replace any cracked tiles and re-secure any loose tiles unless the defects were caused by the owner's negligence. Builder is not responsible for discontinued patterns or color variations in ceramic tile.

DEFICIENCY: Cracks appear in grouting in ceramic tile joints or at junctions with other material such as a bathtub.

CONSTRUCTION STANDARD:

Cracks in grouting in ceramic tile joints are commonly due to normal shrinkage conditions. Regrouting of these cracks is a maintenance responsibility of the Homeowner(s) within the life of the home. Builder is not responsible for color variations or discontinued color grout.

BUILDER CORRECTION:

Builder will re-grout grouting unless cracks are due to normal shrinkage; as necessary one time within the first (1st) year of warranty.

7.4 RESILIENT FLOORING

DEFICIENCY: Nail pops appear on the surfaces of flooring.

CONSTRUCTION STANDARD:

Readily apparent nail pops should be repaired.

BUILDER CORRECTION:

The Builder shall correct nail pops, which have broken the surface. The Builder shall repair or replace resilient floor covering in the affected area with similar material. Builder is not responsible for discontinued patterns or color variation in the floor covering.

DEFICIENCY: Depressions or ridges appear in the flooring due to subfloor irregularities.

CONSTRUCTION STANDARD:

Readily apparent depressions or ridges exceeding 1/8 inch should be repaired. The ridge or depression measurement is taken at the gap created at one end of the 6-inch straight edge placed over the depression or ridge within 3 inches on one side of the defect held lightly to the floor.

BUILDER CORRECTION:

The Builder shall take corrective action, as necessary to bring the defect within acceptable tolerances so that it is not readily visible. Builder is not responsible for discontinued patterns or color variations in floor covering.

DEFICIENCY: Resilient flooring loses adhesion.

CONSTRUCTION STANDARD:

Resilient flooring should not lift, bubble or become unglued.

BUILDER CORRECTION:

The Builder shall repair or replace resilient flooring as required. The Builder shall not be responsible for discontinued patterns or color variation of floor covering or for problems caused by owner neglect or abuse.

DEFICIENCY: Seams or shrinkage gaps show resilient flooring joints.

CONSTRUCTION STANDARD:

Gaps shall not exceed 1/16 inch width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.

BUILDER CORRECTION:

The Builder shall take action as necessary to correct the problem.

7.5 CARPETING

DEFICIENCY: Carpeting becomes loose, seams separate or excessive stretching occurs.

CONSTRUCTION STANDARD:

Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly should not come up, become loose, separate or stretch excessively at its points of attachment.

BUILDER CORRECTION:

Builder is to stretch or re-secure carpeting as needed one time within the first (1st) year of warranty.

7.6 SPECIAL COATING

DEFICIENCY: Cracks in exterior stucco wall surfaces.

CONSTRUCTION STANDARD:

Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.

BUILDER CORRECTION:

The Builder shall repair cracks exceeding 1/8 inch in width as required.

7.7 PAINTING

DEFICIENCY: Mildew or fungus on painted surfaces.

CONSTRUCTION STANDARD:

Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures, (i.e., rainfall, ocean, lake or river fronts).

BUILDER CORRECTION:

Mildew or fungus formation is a condition the Builder cannot control and is a Homeowner(s) maintenance item, unless it is caused by moisture entry into wood, in which case, the Builder shall eliminate the source of water entry and refinish.

DEFICIENCY: Exterior paint or stain peels or deteriorates.

CONSTRUCTION STANDARD:

Exterior paints or stains should not fall during the first (1st) year of ownership. However, fading may occur and the degree varies with climatic conditions.

BUILDER CORRECTION:

Builder shall properly prepare and refinish affected areas, matching color as closely as possible. Where finish deterioration affects the majority of the wall or area, the whole area should be refinished. The warranty on the newly repainted surfaces will not extend beyond the original warranty period.

DEFICIENCY: Painting required as corollary repair because of other work.

CONSTRUCTION STANDARDS:

Necessary repairs required under this warranty should be refinished to match surrounding areas as closely as possible.

BUILDER CORRECTION:

Refinish repaired areas as indicated.

DEFICIENCY: Deterioration of varnish or lacquer finishes.

CONSTRUCTION STANDARD:

Natural finish on interior woodwork should not deteriorate during the first (1st) year of ownership. However, varnish-type finish used on the exterior will deteriorate rapidly and is not covered by the warranty.

BUILDER CORRECTION:

Retouch affected area of natural finished interior woodwork, matching the color as closely as possible.

DEFICIENCY: Interior paint application and coverage.

CONSTRUCTION STANDARD:

Interior paint shall be applied in a manner sufficient to visually cover wall, ceiling and trim surfaces where specified.

BUILDER CORRECTION:

The Builder shall retouch wall, ceiling or trim surfaces where inadequate paint has been applied to cover original surfaces.

7.3 WALL COVERING

DEFICIENCY: Peeling of wallpaper.

CONSTRUCTION STANDARD: Peeling of wallpaper is unacceptable.

BUILDER CORRECTION:

The Builder shall repair or replace defective wallpaper. Builder is not responsible for minor mismatching in pattern or color.

8. SPECIALTIES**8.1 LOUVERS AND VENTS**

DEFICIENCY: Inadequate ventilation of attic and crawl spaces.

CONSTRUCTION STANDARD:

Attic and crawl spaces shall have a natural ventilation area as required by the approved building code specifications.

BUILDER CORRECTION:

The Builder shall provide for adequate ventilation. Builder is not responsible for Homeowner's alterations to the original system.

8.2 FIREPLACES

DEFICIENCY: Fireplace or chimney does not draw properly.

CONSTRUCTION STANDARD:

A properly designed and constructed fireplace and chimney should function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some houses may need to have a window opened slightly to create an effective draft.

BUILDER CORRECTION:

Determine the cause of malfunction and correct as required if the problem is one of design and construction.

DEFICIENCY: Chimney separation from structure to which it is attached.

CONSTRUCTION STANDARD:

Newly built fireplaces will often incur slight amounts of separation from the main structure. Separations shall not exceed 1/2 inch from the main structure in any 10 foot vertical measurement.

BUILDER CORRECTION:

Builder to determine the cause of separation and correct as required. Caulking is acceptable for slight separations.

9. EQUIPMENT**9.1 RESIDENTIAL EQUIPMENT**

DEFICIENCY: Warpage and operation of kitchen cabinet doors and drawer faces.

CONSTRUCTION STANDARD:

Cabinet doors and drawer faces should not warp to exceed 1/4 inch, provided the proper levels of humidity have been maintained. Both cabinet doors and drawer faces should be properly adjusted and operating in a smooth, efficient manner.

BUILDER CORRECTION:

Adjust, repair or replace defective cabinet doors and drawer faces to correct condition.

DEFICIENCY: Surface cracks, delaminations and chips in high pressure laminated vanity and kitchen cabinet countertops.

CONSTRUCTION STANDARD:

Countertops fabricated with high pressure laminate coverings should not delaminate or have chips or surface cracks. The deck seam joint may have a maximum of 1/16 inch gap. All other areas of the joint may have a maximum of 1/16 inch differential in surface alignment.

BUILDER CORRECTION:

Repair or replace to meet the above criteria.

DEFICIENCY: Countertop separating from finished wall.

CONSTRUCTION STANDARD:

Countertop separation should not exceed 1/8 inch.

BUILDER CORRECTION:

The Builder shall repair or replace the countertop to eliminate or correct the gap caused by separation. Caulking is acceptable.

10. MECHANICAL**10.1 WATER SUPPLY SYSTEM**

DEFICIENCY: Plumbing pipes freeze and burst.

CONSTRUCTION STANDARD:

Drain, waste and vent or water pipes should be adequately protected, as required by the applicable code, during normally anticipated cold weather, and as defined in accordance with ASHRAE designed temperatures to prevent freezing.

BUILDER CORRECTION:

The Builder shall correct the condition responsible for pipes freezing, and repair piping damage caused by freezing except where there has been an obvious lack of heat due to Homeowner's neglect.

DEFICIENCY: Water supply system fails to deliver water.

CONSTRUCTION STANDARD:

All service connections to municipal water main and private water supplies are the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

BUILDER CORRECTION:

Builder to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond the Builder's control disrupt or eliminate the source of the supply then it is not the Builder's responsibility.

10.2 SEPTIC TANK SYSTEMS

DEFICIENCY: Septic system fails to operate properly.

CONSTRUCTION STANDARD:

Septic system should be capable of properly handling normal flow of household effluent. It is possible that due to freezing, soil saturation, changes in the ground water table or excessive use of plumbing systems or appliances, an overflow can occur. Periodic pumping of the septic tank is considered Homeowner's maintenance, and a normal need for pumping is not a deficiency.

BUILDER CORRECTION:

Builder shall be responsible for the installation of an operational system and shall take corrective action to repair. Builder shall not be responsible for malfunctions which occur through owner negligence or abuse and from conditions that are beyond his/her control. The following are considered owner negligence or abuse as an exclusion under the warranty:

- A. Excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use.
- B. Connection of sump pump, roof drains or backwash from water conditioner, to the system.
- C. Placing of non-biodegradable items in the system.
- D. Addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners.
- E. Use of a food waste disposer not supplied by Builder.
- F. Placement of impervious surfaces over the disposal area.
- G. Allowing vehicles to drive or park over the disposal area.
- H. Failure to periodically pump out the septic tank, when required.

10.3 PLUMBING

DEFICIENCY: Faucet or valve leak.

CONSTRUCTION STANDARD:

No valve or faucet should leak due to defects in material or workmanship. However, leakage caused by worn washers or seals is a Homeowner's maintenance item.

BUILDER CORRECTION:

Builder shall repair or replace the leaking faucet or valve unless leakage is due to a worn washer or seal.

DEFICIENCY: Defective plumbing fixtures, appliances or trim fittings.

CONSTRUCTION STANDARD:

Fixtures, appliances or fittings should comply with their manufacturer's standards.

BUILDER CORRECTION:

The Builder shall replace any fixture or fitting which is outside of acceptable standards as defined by the manufacturer.

DEFICIENCY: Noisy water pipes.

CONSTRUCTION STANDARD:

There will be noise emitting from the water pipe system, due to the flow of water.

BUILDER CORRECTION:

Builder cannot remove all noises due to water flow and pipe expansion. The Builder shall correct any noise problems that are due to faulty workmanship or installation.

DEFICIENCY: Leakage from any piping.

CONSTRUCTION STANDARD:

No leaks of any kind should exist in any soil, waste, vent, gas or water pipe. Condensation on piping does not constitute leakage, and is not covered. Should a gas pipe leak occur, the Homeowner(s) should call the appropriate public utility service immediately.

BUILDER CORRECTION:

Builder shall make necessary repairs to eliminate leakages in any piping he/she installed. If a gas or water leak occurs in a piping system the Builder installed, then the Builder will make the necessary repairs. If a gas or water leak occurs in a piping system installed by a public service utility authority, then the public service utility authority should be contacted to make the necessary repairs.

DEFICIENCY: Stopped up sewers, fixtures and drains.

CONSTRUCTION STANDARD:

Sewers, fixtures and drains should operate properly.

BUILDER CORRECTION:

The Builder is not responsible for sewers, fixtures and drains which are clogged through the owner's negligence. Where defective construction is the cause, the Builder shall assume the cost of the repairs where owner negligence is shown to be the cause, the owner shall assume all repair costs.

DEFICIENCY: Cracking or chipping of porcelain or fiberglass surfaces.

CONSTRUCTION STANDARD:

Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when the surface is hit with sharp or heavy objects.

BUILDER CORRECTION:

Builder to repair any chips or cracks noted prior to first occupancy.

10.4 HEATING

DEFICIENCY: Inadequate heating.

CONSTRUCTION STANDARD:

Heating system should be capable of producing an inside temperature of 70 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside winter design conditions as specified in the ASHRAE handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

BUILDER CORRECTION:

Builder shall correct the heating system as required to provide the required temperatures. The owner shall be responsible for balancing dampers, registers and other minor adjustments.

10.5 COOLING

DEFICIENCY: Inadequate cooling.

CONSTRUCTION STANDARD:

Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside summer design conditions as specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 degrees Fahrenheit, a differential of 15 degrees Fahrenheit from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

BUILDER CORRECTION:

Correct cooling system to meet temperature conditions in accordance with specifications.

DEFICIENCY: Refrigerant line leak.**CONSTRUCTION STANDARD:**

Refrigerant lines should not develop leaks during normal operation.

BUILDER CORRECTION:

Repair leaking refrigerant lines and recharge unit.

10.6 CONDENSATION LINES

DEFICIENCY: Condensation lines clog up.

CONSTRUCTION STANDARD:

Condensation lines will clog under normal use. This is a Homeowner's maintenance item.

BUILDER CORRECTION:

Builder to provide unobstructed condensation lines at closing.

10.7 EVAPORATIVE COOLING

DEFICIENCY: Improper mechanical operation.

CONSTRUCTION STANDARD:

Equipment must function properly at temperature standard set.

BUILDER CORRECTION:

Correct and adjust so that blower and water system operate as designed.

10.8 AIR DISTRIBUTION

DEFICIENCY: Ductwork noisy.

CONSTRUCTION STANDARD:

When metal is heated it expands and when cooled it contracts. The result is "rattling" or "crackling" which is generally to be expected.

BUILDER CORRECTION:

The silencing of the ductwork and the gauge of the metal used shall be such that the ducts do not "pilot". The booming noise caused by "rattling" is not acceptable and the Builder must take necessary steps to eliminate this sound.

DEFICIENCY: Ductwork separates or becomes unattached.

CONSTRUCTION STANDARD:

Ductwork should remain intact and securely fastened.

BUILDER CORRECTION:

Reattach and secure all separated or unattached ductwork.

11. ELECTRICAL**11.1 ELECTRICAL CONDUCTORS**

DEFICIENCY: Failure of wiring to carry its designed fuse load to the electrical box.

CONSTRUCTION STANDARD:

Wiring should be capable of carrying the designed load for normal residential use to the electrical box.

BUILDER CORRECTION:

Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

11.2 SWITCHES AND RECEPTACLES

DEFICIENCY: Fuses blow or circuit breakers kick out.

CONSTRUCTION STANDARD:

Fuses and circuit breakers should not activate under normal usage.

BUILDER CORRECTION:

Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

DEFICIENCY: Malfunction of electrical outlets, switches or fixtures.

CONSTRUCTION STANDARD:

All switches, fixtures and outlets should operate as intended.

BUILDER CORRECTION:

Repair or replace defective switches, fixtures and outlets.

11.3 SERVICE AND DISTRIBUTION

DEFICIENCY: Ground fault interruptor trips frequently.

CONSTRUCTION STANDARD:

Ground fault interruptors are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

BUILDER CORRECTION:

Builder is to install ground fault interruptor in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to faulty installation.

ONE AND TWO YEAR WARRANTY ITEMS**10.9 WATER SUPPLY SYSTEM**

DEFICIENCY: Plumbing pipes freeze and cause leaks.

CONSTRUCTION STANDARD:

Drain, waste and vent or water pipes should be adequately protected, as required by applicable codes, during normally anticipated cold weather, and as defined in accordance with ASHRAE design temperatures to prevent freezing.

BUILDER CORRECTION:

The Builder shall correct the condition responsible for pipes freezing, and repair piping damage caused by freezing except where there has been an obvious lack of heat and/or Homeowner's neglect.

DEFICIENCY: Water supply system fails to deliver water.

CONSTRUCTION STANDARD:

All service connections to municipal water and private water supply are the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

BUILDER CORRECTION:

Builder to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond the Builder's control disrupt or eliminate the source of the supply then it is not the Builder's responsibility.

10.10 SEPTIC TANK SYSTEMS

DEFICIENCY: Septic system fails to operate properly.

CONSTRUCTION STANDARD:

Septic system should be capable of properly handling normal flow of household effluent. It is possible that due to freezing, soil saturation, changes in the ground water table or excessive use of plumbing systems or appliances, an overflow can occur. Periodic pumping of the septic tank is considered homeowner's maintenance, and a normal need for pumping is not a deficiency.

BUILDER CORRECTION:

Builder shall be responsible for the installation of an operational system and shall take corrective action to repair. Builder shall not be responsible for malfunctions which occur through owner negligence or abuse and from conditions that are beyond its control. The following are considered owner negligence or abuse as an exclusion under the warranty:

- A. Excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use.
- B. Connection of sump pump, roof drains or backwash from water conditioner, to the system.
- C. Placing of non-biodegradable items in the system.
- D. Addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners.
- E. Use of food waste disposer not supplied by Builder.
- F. Placement of impervious surfaces over the disposal area.
- G. Allowing vehicles to drive or park over the disposal area.
- H. Failure to periodically pump out the septic tank, when required.

10.11 PLUMBING

DEFICIENCY: Leakage from any piping.

CONSTRUCTION STANDARD:

No leaks of any kind should exist in any soil, waste, vent, gas or water pipe. Condensation on piping does not constitute leakage, and is not covered. Should a gas pipe leak occur, the Homeowner should call the appropriate public utility service immediately.

BUILDER CORRECTION:

Builder shall make necessary repairs to eliminate leakages in any piping he/she installed. If a gas or water leak occurs in a piping system the Builder installed, then the Builder will make the necessary repairs. If a gas or water leak occurs in a piping system installed by a public service utility authority, then the public utility authority should be contacted to make the necessary repairs.

CONSTRUCTION STANDARD:

Sewer, fixtures and drains should operate properly.

BUILDER CORRECTION:

The Builder is not responsible for sewers, fixtures and drains which are clogged through the owner's negligence. Where defective construction is shown to be the cause, the Builder shall assume the cost of the repair; where owner negligence is shown to be the cause, the owner shall assume all repair costs.

10.12 COOLING

DEFICIENCY: Cooling lines leak.

CONSTRUCTION STANDARD:

Cooling lines should not develop leaks during normal operation.

BUILDER CORRECTION:

Repair leaking cooling lines and recharge unit.

11. ELECTRICAL**11.1 ELECTRICAL CONDUCTORS**

DEFICIENCY: Failure of wiring to carry its designed fuse load to the electrical box.

CONSTRUCTION STANDARD:

Wiring should be capable of carrying the designed load for normal residential use to the electrical box.

BUILDER CORRECTION:

Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

SCHEDULE B

NOTICE OF WARRANTY CLAIM FORM

Dear Purchaser: To ask the Builder to correct a defect in your Home that you think is covered by the Builder's Limited Warranty, you must complete this form and deliver it to the Builder. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Builder is aware of the problem, fill out this form and deliver it to the Builder.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't know." Please do not leave any item blank.

Your Name: _____

Mailing Address: _____

Phone: _____

Limited Warranty No.: _____

Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem.

(signature)

(date)

(signature)

(date)

NOTE: THIS COMPLETED AND SIGNED FORM MUST BE DELIVERED TO THE BUILDER AS FOLLOWS: (1) BY HAND, WITH A WRITTEN ACKNOWLEDGEMENT RECEIPT FROM THE BUILDER, OR (2) BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED. YOUR RIGHTS TO WARRANTY COVERAGE UNDER THIS LIMITED WARRANTY WILL BE VOIDED UNLESS YOU STRICTLY COMPLY WITH ALL OF THE PROCEDURES SET FORTH IN PARAGRAPH 14 OF THIS LIMITED WARRANTY.

SCHEDULE C

LIST OF AUTHORIZED SERVICE REPRESENTATIVES

(Name, address, phone numbers for service.)

PLUMBING:

ELECTRICAL:

HVAC:

OTHER:

FINAL INSPECTION FORM

SCHEDULE D

BUILDER: _____

PURCHASERS: _____

JOB NO.: _____ DATED: _____ ADDRESS: _____

The following is a complete survival list of incomplete or unfinished items determined at an inspection made by the purchasers herein with reference to the premises identified by the job number above:

THE ABOVE WORK WILL BE PERFORMED BY THE UNDERSIGNED BUILDER AT ITS OWN COST AND EXPENSE WITHIN A REASONABLE TIME AFTER CLOSING OF TITLE. THIS LIST SHALL CONSTITUTE A FINAL AGREEMENT BY THE PURCHASER(S) AS TO ALL DISPUTED OR UNFINISHED OR INCOMPLETE ITEMS AND IS INTENDED AND UNDERSTOOD TO BE IN FULL COMPLIANCE WITH THE CONTRACT OF SALE. WITH THE EXCEPTION OF THE BUILDER'S OBLIGATIONS CONTAINED IN THE EXPRESS LIMITED WARRANTY ANNEXED AS EXHIBIT A TO THE CONTRACT OF SALE, THE BUILDER'S OBLIGATIONS TO COMPLETE THE ITEMS AS SET FORTH ABOVE ARE THE ONLY ONES THAT SHALL SURVIVE CLOSING OF TITLE.

APPROVED AND ACCEPTED BY:

Purchaser

By: _____

Purchaser

SECTION B

B-1POWER OF ATTORNEY

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

I (We)

(the "principals") the owners of the Condominium Unit No: _____ in the Condominium known as the **FOREST HILL WEST CONDOMINIUM** and also designated as Tax Lot

in Block **2370** on the Tax Map of the Real Property Assessment Department of the City of New York located in the County of Richmond covering the property in the Borough of Staten Island, County of Richmond, and State of New York, do hereby nominate, constitute and appoint members of the Board of Managers of the **FOREST HILL WEST CONDOMINIUM** (as "agent") and their successors, jointly, my true and lawful attorneys-in-fact coupled with an interest and with the power of substitution, in my name and on behalf to acquire, in their own name or, in the name of their designees by deed on behalf of all owners of Condominium units in said property, any Condominium Unit together with its Appurtenant Interests, whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or a deed in lieu of foreclosure sale, at such price and on such terms as my said attorney-in-fact shall, in their sole discretion, deem proper and thereafter convey, sell, lease, sublease, mortgage, vote and otherwise deal in such Condominium Unit so acquired, at such terms as my attorney-in-fact may in their sole discretion determine, granting to my said attorney-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We), (the "Principals") do hereby further irrevocably nominate, constitute and appoint WALLACE AVENUE BUILDERS, LLC, (as "agent") and its successors, my true and lawful attorney-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of the **FOREST HILL WEST CONDOMINIUM**, permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an Amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium.

This power of attorney shall be irrevocable and shall be limited to the powers enumerated herein.

In witness Whereof, I (We) have hereunto signed my (our) name(s) this day of

_____, 20____.

Principal

Principal

State of New York, County of _____ ss:

On the _____ day of _____ in the year _____ before me. the undersigned, personally

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

Notary Public

IMPORTANT INFORMATION FOR AGENT:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign, or the Power of Attorney is terminated or revoked. You must:

- (1) Act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest.
- (2) Avoid conflicts that would impair your ability to act in the principal's best interest.
- (3) Keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law.
- (4) Keep a record of all receipts, payments, and transactions conducted for the principal; and
- (5) Disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (your signature) as Agent for (Principal's Name).

I/we, _____,
have read the foregoing power of Attorney. I am/we are the person (s) identified therein as agent (s) for the principal named therein.

I/we acknowledge my/our legal responsibilities.

WALLACE AVENUE BUILDERS, LLC

Agent (s) sign(s) here _____

By: _____
Authorized Signatory

State of New York, County of _____ ss:

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

Notary Public

SECTION C

CONDOMINIUM UNIT DEED

THIS INDENTURE, made [as of] the ____ day of _____, 20____, between **WALLACE AVENUE BUILDERS, LLC**, a New York limited liability company, with offices at 4073 Victory Boulevard, Staten Island, New York 10314, as Grantor and party of the first part; and

_____, residing
at _____, as Grantee
and party of the second part:

WITNESSETH

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:

All that certain plot, piece or parcel of real property with the improvements therein contained, situate, and being a part of a condominium in the City of New York, County of Richmond, State of New York, known and designated as Unit No. _____, Tax Block **2370** Lot _____, together with an undivided interest of **25.00%** in the common elements of the condominium hereinafter described as the same is defined in the Declaration of Condominium hereinafter referred to:

The real property above described is a Unit shown on the plans of a condominium and filed in the Office of the Clerk of the County of Richmond on the _____ day of _____, 20____ as Map defined in the Declaration of Condominium entitled the **FOREST HILL WEST CONDOMINIUM** made by Wallace Avenue Builders, LLC, under Article 9-B of the New York Real Property Law dated on the ____ day of _____, 20____, and recorded in the office of the Clerk of the County of Richmond on the ____ day of _____, 20____ as document number _____, covering the property therein described.

This transaction is made in the regular course of business of the grantor with the unanimous consent of the members.

The area of the Condominium property is described as follows:

ALL that certain piece or parcel of land in the Borough of Staten Island, County of Richmond, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly widening line (100.00 feet wide) of Forest Hill Road, distant 281.20 feet easterly from the intersection of the northerly widening line of Forest Hill Road, and the easterly widening line of Travis Avenue.

RUNNING THENCE the following courses and distances:

North 52 degrees 33 minutes 38 seconds West 118.11 feet.

North 37 degrees 20 minutes 22 seconds East 100.00 feet.

South 52 degrees 33 minutes 38 seconds East 121.49 feet to the northerly widening line of Forest Hill Road.

THENCE on a curve bearing to the right having a radius of 500.00 feet, central angle of 9-51-06, length of 85.97 feet.

THENCE South 43 degrees 36 minutes 00 seconds West along the widening line of Forest Hill Road 14.24 feet to the Point or Place of BEGINNING.

Survey System for the Borough of Richmond

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises.

TOGETHER with, and subject to the rights, obligations, easements restrictions, and other provisions set forth in the Declaration, floor plans and the by-laws of the **Forest Hill West Condominium**, as each of the same may have been, and may in the future be, amended from time to time (said by-laws and any amendments thereto are hereinafter collectively referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest of estate in the unit, as though recited and stipulated at full length herein.

TOGETHER with the benefits, rights, privileges and easements and SUBJECT to the burdens, covenants, restrictions, by-laws, rules, regulations and easements all as set forth in the Condominium Documents.

TOGETHER with and SUBJECT to an easement for the continuance of all encroachments by the unit or any adjoining units or common elements now existing as a result of construction of the building or which may come into existence hereafter as a result of settling or shifting of the building, or as the result of repair or restoration of the building, or of the unit after damage or destruction by fire or other casualty or after the taking in condemnation or eminent domain proceedings 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 servicing the unit;

TOGETHER with and SUBJECT to all easements of necessity in favor of the units or in favor of the other units or common elements.

SUBJECT also to an easement in favor of the other units to use the pipes, wires, ducts, conduits, cables, public utilities lines and other common elements located in the unit or elsewhere on the property and serving such other units.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the premises.

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

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any rules and regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

And the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

And the party of the first part in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The use for which the Unit is intended is that of an **ONE FAMILY** residence, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

BEING part of the same property conveyed by deed dated **May 25, 2023**, recorded on **June 22, 2023**, in Land Doc# **925423**, made by Foxwood Forest Lenca, LLC to Wallace Avenue Builders, LLC.

The word "party" shall be construed as if it reads "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

WALLACE AVENUE BUILDERS, LLC

By: _____

Name: _____

Its: _____

State of New York, County of _____ ss:

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

Notary Public

SECTION D

D-1

ARCHITECT'S REPORT

KNOWN AS THE FOREST HILL WEST CONDOMINIUM
 1370 & 1372 FOREST HILL ROAD
 STATEN ISLAND, NEW YORK 10314
 TAX BLOCK NUMBER 2370
 TAX LOT NUMBER 162

PREPARED BY:

JOSEPH M. MORACE, R.A.
 3195 RICHMOND ROAD
 STATEN ISLAND, N.Y. 10306
 (718) 979-3066
 July 28, 2025

This “**Report**” is a description of the property and specifications of the newly constructed buildings known as **FOREST HILL WEST CONDOMINIUM**.

§ 20.7(a) Location and Use of Property

The Forest Hill West Condominium is located in the Borough of Staten Island, County of Richmond, City and State of New York; located in Tax Block 2370 designated as Tax Lot 162. The site is in an R3-1 zone, as designated on Map 26c of the 1961 Zoning Resolution (ZR). This zone permits residential use as-of-right. The site is located in the Lower Density Growth Management Area, which was established in 2004 to preserve neighborhood character by reducing density & ensure better quality site design. Requirements for yards, open spaces and off-street parking are all in compliance. There are no zoning waivers, easements or restrictive declarations. The property and proposed use will comply with all zoning and use requirements at closing.

§ 20.7(b) Status of Construction

The two new buildings are being constructed under plans which were filed with Professional Certification and accepted for approval by the Staten Island Office of the

New York City, Department of Buildings. The architect of record has not been retained to perform controlled inspections on the project. Instead, a hired consulting engineer is performing the controlled inspections. The building is not part of a Quality Housing project. The new building plans have been assigned Department of Buildings, New Building application numbers. Construction of the buildings commenced in 2024 and the date of completion is expected in 2025. The property and buildings are not required to comply with ADA Accessibility regulations and comply with the NYC Building Code.

The Class of Construction is VB, as described under the 2022 Administrative Building Code. The following building elements are one hour fire rated: exterior walls located within 10 ft. of lot lines, unit separation walls, floor/ceiling and ceiling/roof assemblies and mechanical room wall and ceiling enclosures. The following building elements are non-fire rated: structural frame, load and non-load-bearing interior walls, exterior walls located more than 10 ft. from lot lines and stair enclosures. The building will be issued a Permanent Certificate of Occupancy when final sign-off for general construction is issued by the Department of Buildings, the condominium declaration is filed with the county clerk's office and the condo tax lot numbers are issued by the NYC Dept. of Finance. A Permanent Certificate of Occupancy will be obtained for a two-family residence prior to units closing. Following is a list of all relevant DOB job filings & permits secured or to be secured for the property:

1370 Forest Hill Rd

New Bldg. # S00981122-I1-filed 12/21/23, Approved 10/31/24 & Permit issued 11/7/24.
Plumbing # S00981122-S1-permit issued 02/27/2025.
Electrical # S01210658-I1- permit issued 04/14/2025.

1372 Forest Hill Rd

New Bldg. # S00972703-I1-filed 12/21/23, Approved, 10/29/24 & Permit issued 11/1/24.
Plumbing # S00972703-S1-permit issued 02/27/2025.
Electrical # S01210663-I1- permit issued 04/14/2025.

A Temporary Construction Fence application & permit for both 1370 & 1372 Forest Hill Road app. # S00984306-11 was approved 01/04/24 & permit issued 02/06/25.

A Builders Paving Plan application & permit for both 1370 & 1372 Forest Hill Road app. # 540262730 was approved & permitted on 02/12/24.

Curb Cut applications & permits for both 1370 & 1372 Forest Hill Road are pending.

There are no open violations as of the date of this report.

§ 20.7(c) Site

The site is located on the West side of Forest Hill Road, 281.20' North from the corner formed by Travis Avenue and Forest Hill Road.

It is outside the Special Flood Hazard Area of 1% annual chance flood, as delineated on Effective Panel #3604970309F & Preliminary Panel #3604970309G of the Flood Insurance Rate Map (FIRM).

The site has a frontage of 100.43' along Forest Hill Road, a NYC final mapped street. The site has an area of approximately 15,701 square feet. There is a widening line approximately 33.89' to 39.47' in depth & approximately 3,522.33 square feet in area, running along the street frontage of the lot. This widening area of 3,522.33 square feet is to be conveyed to NYC. This is common on many streets in Staten Island, and the purpose is for possible future widening of the street. Currently there are plans to widen the street, to the 100 ft. record line.

The sidewalks, curb cuts and ramps will be ADA compliant and shall be free of tripping hazard and ponding. The sidewalks, driveways and ramps shall be sloped to drain water away from the foundation of the building. The driveways for the off-street parking pads, located in the side yards, slope downward toward zipper drains designed to drain water into drywells.

The streets beyond the lot lines are existing New York City mapped streets.

There are no existing concrete sidewalks and curbs fronting the property on Forest Hill Road but will be installed when construction is near completion, as directed by the New York City Department of Transportation and as is required for all new buildings. The roadway fronting the property on Forest Hill Road is asphalt paved. The roadway, fronting the property, will be milled and repaired when construction is near completion, as directed by the New York City Department of Transportation

New drywells will be installed in the rear yards of the 2 new buildings, to capture storm water runoff and release it into the ground at a controlled rate. Street lighting is provided by the City of New York and consists of vertical stanchions surmounted with LED lamps.

All of the above items are in conformity with local fire district, town and municipal building codes.

The common elements are the common internal sanitary drain located in the front yard areas and the common storm water drywell cluster located in the rear yard areas. The limited common elements are: (i) the balance of the yard areas at the front, rear and sides of the buildings; (ii) the sidewalks fronting a unit together with the unit's walkways, driveway & ramp; and (iii) the unit's portion of the exterior of the building as well as the unit's exterior and roof, stairs and deck. The unit owner shall be responsible to maintain the limited common element's, appurtenant to the unit.

§ 20.7(d) Utilities

Water will be provided by the City of New York, and water consumption will be a common charge.

Natural Gas will be provided by National Grid, for cooking and heating; and each unit will be separately metered and billed directly.

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

Telephone service will be provided by the telephone company, and each unit will be billed directly.

The Sanitary waste will be carried from the two buildings into an internal private sanitary drain located in the front yard running along Forest Hill Road and connected to a new sanitary sewer to be built and extended from an existing sanitary sewer located near the intersection of Travis Avenue & Forest Hill Road.

The Storm water runoff will be carried to proposed internal drywells located at the rear yard of the property. Water and sewer will be billed as a common charge.

§ 20.7(e) Sub-soil conditions

No unusual water conditions such as flooding, ponding, or wetness were observed in the area, and no water was apparent on the surface. Four soil test pits were performed at this site and no ground water was encountered at a depth of approximately 9-18 feet. The soil test pits do not indicate land subsidence or expansive soils conditions. Public records do not indicate hazardous materials or environmental restrictions present on the property. There is no sub-grade drainage system for the foundation. There is not a significant potential for mudslide or erosion in the area. The bearing capacity of the soil ranges from 2 to 3 tons per square foot. There will be slight negative outdoor grading from the street level toward the front of the building & then pitched toward the rear lot line, with yard drains installed to collect storm runoff. The project site is outside the Flood Zone of New York City.

There is no danger from flooding, either due to water table in the area or overflow from other bodies of water. There is no potential for mudslides or erosion.

There is no known radon present in the area.

§ 20.7(f) Landscaping and enclosures

All open areas of the site that are not covered by the new building, sidewalks, paving, parking or decks, will be grass covered with Kentucky Merion Sod.

There are no existing trees on the site. NYC Parks Street trees will be provided as per the zoning regulations & Parks regulations. There will be no additional plantings on the site.

There shall be no gates or fencing enclosing the property.

§ 20.7(g) Building size

There will be two (2) buildings on the site. The buildings are detached side by side two family residences with accessory off-street parking for eight cars located at the side yards.

The new residential buildings will be two stories high with a total height of approximately 34'-0" measured from grade to the top of the roof above the second floor. The lowest level in the buildings will be the cellar, with a floor to ceiling height of approximately 9'-0". There will be two floors above the cellar. The first floor will have a ceiling height of approximately 9'-0", while the second floor will have a ceiling height of approximately 8'-0". Each unit has a mechanical equipment room in each cellar area. The approximate measurements (gross square footage) of each of the Two (2) family buildings is as follows:

Cellar	approximately	= 1,787 sq. ft.
First Floor	approximately	= 1,871 sq. ft.
Second Floor	approximately	= 1,871 sq. ft.

§ 20.7(h) Structural system

The structural system for the buildings is classified mainly as a bearing wall type construction.

The new residential buildings will contain both interior and exterior load bearing walls. The interior non-bearing walls will be constructed of 2" x 4" wood stud walls, and the exterior walls and the interior common wall between the families will be 2" x 6" wood stud walls. The interior unit separation wall is one hour rated with 5/8" type 'x' gypsum board on each side of the wall. The load bearing wood frame walls will support the wood floor joists, which will span between them. The typical structural floor system is 2" x 10" joists @ 16" o.c. with 3/4" plywood subfloor (screwed & glued) and 3/4" hardwood flooring. The floor/ceiling assembly is one hour fire-rated with 5/8" type 'x' sheetrock. Floor/ceiling assemblies separating dwelling units from each other shall have an impact insulation class (IIC) rating of not less than 50, in compliance with NYC BC sec. 1207.3. There will be concrete foundation walls supporting the load bearing walls in the cellar. The concrete walls will be supported by concrete footings.

The foundations will consist of spread footings of concrete on earth, for support of the load bearing walls. The foundation walls shall be of 12" thick poured concrete with 2 layers of mastic damp proofing below grade.

The interior floor of the cellar areas shall be 4" thick poured concrete slab reinforced with wwf-6x6 w2.9 x w2.9 on a 6-mil vapor barrier on 6" gravel base. The interior floor assembly at the upper floors shall be either solid hard wood finish or ceramic tile on plywood sub-flooring, supported by wood joists. The first floor and second floor, floor/ceiling assembly is one hour rated with one layer of 5/8" type 'x'

gypsum board ceiling. The ceiling of the second floor is one hour rated with two layers of 5/8" type 'x' gypsum board ceiling.

The roof above the second floor will be a pitched roof finished with asphalt shingles and 15 lb. felt paper on exterior grade plywood supported by wood joist rafters, bearing on the wood frame walls.

The construction classification of the building shall be combustible, construction class VB as per the New York City Building Code.

The front exterior foundation and first floor walls of the residence buildings shall be cultured stone veneer, manufactured by ProVia and tied to the concrete foundation walls exposed above grade and the first-floor front walls. The exterior wall finish of the second floors at the front will be horizontal vinyl shake siding manufactured by Certainteed or approved equal. On the left, right and rear walls, vinyl horizontal siding manufactured by Certainteed or approved equal will be used. The interior finish for all exterior walls shall be 1/2" gypsum board, except shall be 5/8" type "x" gypsum board where the exterior wall is less than 10 ft. from the side lot line. The insulation shall be 5-1/2" fiberglass batt insulation with an R value of 21 and a 1" continuous rigid insulation with an R value of 5, and the total exterior wall construction shall comply with the N.Y.S. Energy Conservation Construction Code with a Total R value of 26. The only exterior side walls that are 1 hour fired-rated, are those locations less than 10 ft. to a lot line.

Windows are to be welded vinyl mainframe and sash with 3/4" insulated dual glazing panes with thermal break as manufactured by Pella Corporation, or equal. Windows shall be of sliding type for the entire buildings for the first and second floor levels, except bathroom windows are of casement type. Cellar level windows are also of sliding type. Sliding window hardware includes handles, locks and rollers. Casement

window hardware includes integrated cranks, locks and rotor operator assembly. All windows have a structural wood header and standard interior sill. Screens are provided at all operable windows. There are no window guards. Every bedroom has at least one window providing an emergency and escape and rescue opening complying with code requirements. Casement windows have a U-factor of 0.26 and the sliding windows have a U-factor of 0.27.

Air infiltration rate of windows shall be in compliance with the New York State Energy Conservation Construction Code. The manufacturer warranties 20 years on glass, and 10 years on non-glass parts, or as described in the Pella Warranty. There will be no lot line windows in the building. There will be no areaways in any of the proposed buildings. There are no parapets on the proposed buildings.

There will be no chimneys, flues or caps located in the buildings. There will be no balconies in the proposed buildings.

There will be a total of (6) entrances located at the exterior of each 2-family building. There will be two (2) entrances for each of the (2) dwelling units in the building located on the first floor. There will be (1) entrance for each of the (2) dwelling units in the building located in the cellar.

Exterior entrance lighting is provided at the front and rear locations of the units. The front and the rear area provided with surface mounted wall fixtures. The 2 front exterior entry doors are manufactured by Feather River Doors (or approved equal) and are of fiberglass construction material with wood frame material with a thermal break, and do not have to be fire rated. Door hardware to be Series F, Plymouth knob sets in matte black finish, manufactured by Schlage, or approved equal.

The 2 exterior sliding glass doors located at the rear of the first-floor level are manufactured by Pella Corporation and are of vinyl construction material with thermal break and vinyl frame material and equipped with Pella hardware including handles, locks and rollers. The 2 exterior doors located at the rear of the cellar level are manufactured by Jeld-Wen and are of fiberglass construction material with thermal break and with wood frame material and do not have to be fire-rated.

There will be two (2) exterior Front entry stairs for each 2 Family building. Each exterior stair will be located at the front of the building and will provide access to the first floor of each unit. This stair will be of masonry construction.

The perimeter of stairwells and stair landings will be protected with powder coated aluminum or painted wrought iron guardrails, with a minimum height of three feet, six inches (3'-6") above the adjacent grade or level of the landing. The maximum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y.C. Building Code. Exterior railings and fasteners shall be of powder coated aluminum or painted wrought iron.

There shall be two exterior cellar stairs located in the rear for each of the two-family buildings. The below grade stairs are of poured concrete construction surrounded by concrete walls with a 3'-6" high guardrail and a 3' high handrail. A drain is provided at the below grade stair platform.

There will be (2) pressure treated wood decks supported on concrete piers for the building located in the rear yard of each 2-family building. Each deck will have wood stairs leading to the rear yard. The perimeter of the deck will be protected with guardrails, with a minimum height of three feet, six inches (3'-6") above the finished deck surface. The maximum spacing between vertical railings shall be approximately

four inches (4") as required by the N.Y.C. Building Code. Exterior railings and fasteners shall be of wood.

U.S. Approved type mailboxes will be provided for each unit with a post mounted rural mailbox located at the front curb area. Mailboxes to be model #4850, all aluminum construction with a powder coated finish manufactured by Salsbury Industries or approved equal.

There are no service entrances located in the proposed new buildings.

The roof type for all roof areas is a hipped style roof except for over the 2 front bedrooms and over the 2 front entry porches where the roof type is a gable style roof.

The finish will be approved type asphalt strip shingles 235 lb. self-sealing (3 tab) manufactured by G.A.F. Corp. or approved equal. The roof materials only are guaranteed for one year, issued by the manufacturer from the commencement date of installation.

The one-year manufacturer's warranty does not include labor. Roof flashing, where required, shall be aluminum roll flashing. Roof rafters shall be 2" x 12" wood rafters spaced 16" o.c. & insulated with fiberglass batt insulation (R-38) with 1/2" exterior grade plywood sheathing with 15 lb. felt paper. The ceiling below the roof is to be constructed of 2" x 10" wood ceiling beams spaced 16" o.c. with (2) layers of 5/8" thick gypsum Type 'X' wallboard finish.

The roof areas shall be pitched with slopes of approximately 8 on 12 and drained to aluminum gutters and vertical leaders. The run-off from the roof areas will be transported via the leaders and below grade horizontal drains, to a storm drain, which leads to the new drywells located below grade on site. There will be no skylights, roof bulkheads or elevator roof structures in the proposed buildings.

There are no fire escapes in the proposed new buildings.

The proposed new buildings will have one (1) front yard, two (2) side yards and one (1) rear yard. These outside areas are limited common elements.

The front yards will be approximately 20'-0" in depth measured perpendicular from the widening line to the nearest point of the façade of the buildings' front wall facing Forest Hill Road. The rear yards will be approximately 35' to 37' measured perpendicular from the rear lot line to the rear of the buildings. The left side yard shall be 8'-0" measured at the perpendicular distance from the house to the side lot line, & 8'-0" from the right-side yard. The buildings will be spaced 20 ft. apart.

The side yard areas will be used partially as parking and driveways and will be partially paved with 4" thick poured concrete and landscaped with grass sod. Front yard walkways shall be paved with 4" thick poured concrete.

Yard areas will be provided with drainage connected to the drywell drainage system.

All interior stairs within the units are the straight run type and shall be of wood construction, with wood risers and wood treads and wood or wrought iron handrails. Wood risers are to be paint finished and treads are to be wood stain with polyurethane finish. All interior convenience stairs comply with the applicable egress requirements of the New York City Building Code. All interior stairs are unenclosed as permitted by code.

Doors within the interior of the units shall be of MDF, (medium density fiberboard) hollow core 1-3/8" thick x 6'-8" high, primed and with paint finish. Door frames and casing shall be of wood or MDF also with a paint finish. Fire rated doors are required for the basement Mechanical Room enclosures and shall be ¾ hour rated hollow

metal self-closing doors with metal frames. All other basement doors are of MDF hollow core 1-3/8" thick x 6'-8" high, primed and with paint finish.

There will be no elevators in the proposed buildings.

§ 20.7(i) Auxiliary facilities

Each residential unit will be provided with a laundry facility closet within the unit located at the second-floor level. The interior dimensions are 3'-4" w x 3'-4" l x 8'-0" ceiling height. The laundry closet has adequate room for a standard-sized stacked washer & dryer of 77-80" tall, 27" wide, and 32-34" deep. There will be hookups only provided by Sponsor providing connection points to water & electricity for a washing machine, and gas, electric and exhaust vent hookup with duct to the outside air for a gas dryer.

The actual laundry equipment will be the responsibility of each unit's owner. Laundry equipment shall be U.L. approved, Energy Star Qualified or approved equal, and to be supplied by the unit's owner.

Refuse disposal will be the responsibility of each unit's occupant. They will collect their own garbage and carry it to the outside where it will be collected by the New York City Sanitation Department. Regular sanitation pick-up is twice weekly on Monday and Thursday, with recycle pick-up once weekly on Thursday. Refuse must not be placed on the sidewalk except on days of collection under penalty of fine.

There is no bike storage room facility in the proposed buildings.

There is no storage room facility in the proposed buildings.

There is no mail/package room facility in the proposed buildings.

§ 20.7(i) Plumbing and drainage

Water will be supplied to the units through connections to the building, from the New York Water Distribution System. There will be a minimum 2" copper water main conveying the water into the building. Each unit is to be supplied with cold water from 1" copper tubing. Each unit will have its own hot water heating unit, located in the mechanical rooms at the cellar level.

The buildings rely on normal New York City water pressure for raising the water to the first and second floor level so that no water tanks are required. The main shut-off valve is located in the front area at the cellar level. Hot and cold-water piping shall be insulated throughout to a minimum of R-3 with a wall thickness of at least ½" or equivalent as per Code requirements. Following the installation of all sinks, the underside of such shall be checked for leaks. Likewise, the water flow will be verified to be adequate at the highest discharge point (2nd floor) in the buildings.

One (1) fire hydrant is located approximately 195 ft. to the south of the site on Forest Hill Road and complies with Code requirements. There is no standpipe fire protection system and complies with Code requirements. There are no hose racks, hoses and nozzles fire protection system and complies with Code requirements. There is no sprinkler fire protection system and complies with Code requirements. There is no Siamese connection fire protection system and complies with Code requirements.

The sanitary waste will be conveyed to a new on-site internal sanitary sewer drain via PVC plastic sewer pipes, located in the building, which will lead to a house drain and a house trap of extra heavy cast iron. House traps will be located in the cellar area towards the front of the building. Beyond the house traps, there will be a new 6" XHC1 pipe drain conveying the sewage to the sanitary sewer located in the bed of Forest

Hill Road. The condominium shall be responsible to maintain the sanitary drainage system outside of the buildings except for a unit's lateral connection line which shall be maintained by the unit owner.

All related plumbing permits are listed including dates obtained on page 2 of this report.

The storm drainage system will consist of vertical exterior aluminum roof leaders of .0175" in thickness, and horizontal aluminum roof gutters of .0255" in thickness, K-style in black, exterior area drains and below grade horizontal drains. All roof, paved and yard drains will be connected to on-site drywells via PVC plastic piping below grade. The drywells will dissipate water to the soil below. The drywells are precast concrete rings located in a cluster in the rear yard of the buildings. The condominium shall be responsible to maintain the storm drainage system outside of the buildings from the below grade common horizontal drains to the drywells. The balance of the storm water drainage system serving a unit shall be maintained by the unit owner.

§ 20.7(k) Heating

Heating of each unit will be provided by gas fired, hot air furnaces, two (2) located in the residential buildings for each unit. One furnace is located in the cellar and one furnace is located in the attic for each unit. Heat will be delivered to the spaces within each unit via adjustable registers, which will provide hot air heat. There will be at least one register within each space. Air distribution heating ducts located outside of the building thermal envelope, shall be insulated to a minimum of R-8 in attics and R-6 for all other locations with approximately ½" thick foil and fiberglass duct insulation taped rolls.

The furnace in the cellar is manufactured by International Comfort Products, Model N92MSN0601714A Series Single Stage ECM with an efficiency rating of 92% AFUE and 60,000 BTU capacity. The furnace located in the attic is manufacture by International Comfort Products, Model N80ESN0451412A with an efficiency rating of 80% AFUE and 42,000 BTU capacity. There is one thermostat and one zone for each furnace system. The warranty is 20-year on Heat Exchanger & 10-year on Parts. For projects in New York City, Climate Zone 4A shall be used in determining compliance with the New York City Energy Conservation Code requirements. The interior design temperatures used for heating and cooling load calculations shall be a maximum of 72d F (22d C) for heating and a minimum of 75d F (24d C) for cooling. The noise emission rating of all mechanical equipment shall comply with the New York City Noise Control Code.

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

Domestic hot water shall be provided for each residential unit by separate, gas fired domestic hot water heaters (1) located within each of the mechanical rooms on the cellar floor of the buildings. Each domestic hot water heater will separately serve each of the two (2) units of the buildings from the respective mechanical room.

The proposed hot water heaters for the units shall be a direct vent unit model #50-22V50F1, as manufactured by Rheem, with a N.Y.C. MEA approval (#284-03-E vol. 15), each with an input rating of approximately 50,000 B.T.U.H. which should be adequate to provide hot water for each unit. The warranty for the water heaters is 2 years. The estimated monthly energy use is 20 therms and the estimated yearly energy use is 245 therms.

The Sponsor reserves the right to provide heaters of different manufacturers, which are equal to or better than listed above.

§ 20.7(l) Gas supply

Gas services will be provided by the National Grid Company. The gas will be used for domestic cooking, and for heating. All piping shall be of black iron.

§ 20.7(m) Air conditioning

Cooling of each unit shall be achieved through a central air conditioning system, in combination with the forced air heating system unit, where one system is located in the cellar mechanical room, and one system is located in the attic of each unit. Both units are manufactured by International Comfort Products, Model EVD4X30M17A, 30,000 BTU at cellar unit and Model EAM4XZ4L14A 24,000 BTU at attic unit. The two exterior condensing units for each Unit Owner are located at the rear portion of each side yard next to the building. Both units are manufactured by International Comfort Products, Model R4A4S30AKANA, 30,000 BTU with an efficiency of 14.0 SEER 2 for cellar unit, and Model R4A418BKA, 18,000 BTU with an efficiency of 14.0 SEER 2 for the attic unit. There is one thermostat and one zone for each cooling system. The warranty is 10-year on Compressor & 10-year Parts. Distribution of cooling will be through a duct system with adjustable registers. There shall be at least one register within each space. Cooling ducts, located outside of the building thermal envelope, shall be insulated to a minimum of R-8 in attics and R-6 for all other locations with approximately ½" thick foil and fiberglass duct insulation taped rolls.

All exterior metals, including fasteners, are corrosion resistant. There is no rooftop cooling equipment for the units.

For projects in New York City, Climate Zone 4A shall be used in determining compliance with the New York City Energy Conservation Code requirements. The interior design temperatures used for heating and cooling load calculations shall be a maximum of 72d F (22d C) for heating and a minimum of 75d F (24d C) for cooling. The noise emission rating of all mechanical equipment shall comply with the New York City Noise Control Code.

§ 20.7(n) Ventilation

The spaces that require mechanical ventilation in the units are the interior bathrooms and toilet rooms. These spaces shall be equipped with vertical or horizontal ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm., for bathroom and toilet room areas as required by the New York City Building Code. Exhaust equipment shall be New York City M.E.A. or B.S.A., UL OR ANSI approved. Mechanical exhaust fans are also provided for in the kitchen of each unit. The cellar spaces, which are for accessory use only and non-habitable, are naturally ventilated with operable sliding windows and do not require mechanical ventilation and comply with code. In addition, each unit will have an Energy Recovery Ventilation (ERV) located in the attic of each unit. The ERV is manufactured by S & P TR Series moisture transfer type unit and has a two-year warranty. The noise emission rating of all mechanical equipment shall comply with the New York City Noise Control Code. NYC Noise Regulations for Residential HVAC equipment, including ventilation units, limits the noise cannot exceed 42 dBA Lmax(slow) measured at 3 feet, and this is being complied with **§ 20.7(o) Electrical**

The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to each unit, shall be a 208 Volt single phase service, providing 100 Amps, to each unit. The service wire material is copper, wire size #4.

The main feed will bring the service to a minimum of two (2) separate meters in the building, one (1) for service to each individual unit. Each residential unit will be supplied with 100 Amps.

There will be a minimum of two (2) panels in the building, one (1) for each residential unit. The electrical system shall comply with all applicable codes and shall be adequate for the average number of circuits per unit and capacity to handle modern appliances, specifically air conditioners, dishwashers, electric dryers, lighting, fixtures, convenience outlets and appliance outlets. The house wiring material is copper wire #12.

There will be approximately twenty (20) circuits equipped with circuit breakers for each of the two (2) units for the building, which will separate air conditioning equipment, heating equipment, dishwashers, kitchen appliances, lights and outlets etc.

A Unit room lighting fixture, convenience & appliance outlet count is as follows:

CELLAR

Bathroom	1 light fixture & 1 outlet
Mech. Rm.	1 light fixture & 1 outlet
Open Cellar	4 light fixtures & 6 outlets
Outside cellar entry	1 light fixture

FIRST FLOOR

Bathroom	1 light fixture & 1 outlet
Living Room	2 light fixtures & 2 outlets
Dining Room	1 light fixture & 1 outlet
Hall	1 light fixture
Kitchen	3 light fixtures, 2 outlets & 3 appliance outlets
Family Room	5 light fixtures & 2 outlets
Front Porch	1 light fixture
Rear Deck	1 light fixture

SECOND FLOOR

Master Bedroom	2 light fixtures & 5 outlets
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Master BR. Closet	1 light fixture
Master Bathroom	1 light fixture & 1 outlet
Middle Bedroom	1 light fixture & 4 outlets
Front Bedroom	1 light fixture & 4 outlets
Front BR. Closet	1 light fixture
Hall Bathroom	1 light fixture & 1 outlet
Hall	2 light fixtures
Laundry Closet	1 appliance outlet

The service will be adequate for the usage of modern equipment and appliances.

Arc Fault Circuit Interrupters (AFCI) and Ground Fault Circuit Interrupters shall be provided. Water-resistant receptacles shall be installed for exterior use. The contractor reserves the option to provide three-way switches at the living/kitchen area on the first floor and adjacent to both staircases. Backup generators shall not be provided.

§ 20.7(p) Intercommunication and/or door signal systems, security closed circuit TV

There will be no intercommunication and/or door signal system facilities for the proposed units. There will be no television reception, master antennae, cable TV or security closed circuit TV system facilities for the proposed units.

§ 20.7(q) Public area lighting

There are no public areas in the condominium. All entrances, halls and stairs, corridors, basements, courts and yards are either part of a Unit or a limited common element (open space). There is no public area lighting in the condominium.

§ 20.7(r) Garages and parking areas

There are no enclosed garages nor enclosed parking areas provided for any of the units. All parking is open parking spaces and complies with the Zoning, Code and Regulations. The number of parking spaces is in compliance with ZR 25-20.

There will be a total of four (4) open parking spaces located in the side yard areas for each of the two (2) Family buildings. A total of eight (8) off street parking spaces will be provided. The parking spaces are limited common open space elements.

All parking areas will be paved with concrete and shall be a minimum of approximately 8'-6" x 18'-0". All parking areas will be accessed via a concrete paved driveway running along the side yards and through the front yards of the proposed building. Driveways are connected to Forest Hill Road via proposed access driveways with curb cuts.

§ 20.7(s) Swimming pool(s).

There are no swimming pools provided for the proposed buildings.

§ 20.7(t) Tennis courts, playgrounds and recreational facilities

There are no tennis courts, playgrounds or recreational facilities provided for the proposed buildings.

§ 20.7(u) Permits and certificates

All related permits are listed on page 2 and 3 of this report.

All required permits and sign offs including a Certificate of Occupancy, are to be obtained by the Sponsor.

There are no recurring inspections after the buildings are in operation including NFPA 80, Sprinkler, Elevator/Safety, Fire Alarm, ARCS, Backflow Preventer, FISP, Cooling Tower, Gas Piping, Energy Benchmarking, etc.

The following documents shall be transmitted to the condominium management upon transfer of control, as applicable:

- Operation & Maintenance manuals for mechanical equipment;
- Electronic system manual;

- Equipment warranties;
- Roof Warranty;
- Major equipment Start-Up Sheets;
- Control System As-Built

§ 20.7(v) violations

There are no outstanding violations as of the date of this report. The Sponsor will cure any outstanding violations prior to the closing.

§ 20.7(w) Unit information

The two proposed residential buildings will have four (4) residential units in total. There will be a total of four units occupying the cellar, first floor and second floor of the two proposed residential buildings.

UNITS 1A, 1B, 2A & 2B WILL EACH CONSIST OF:

A front covered entry porch, living room/dining area, kitchen/dinette area, family room, half bathroom and closet will be provided on the first floor. Three (3) bedrooms, two (2) bathrooms, linen closet, bedroom closets and a laundry facility space will be provided on the 2nd floor. The cellar will be used for accessory storage space, for each unit, and will contain a 3/4 bathroom and a mechanical room for each unit. The lowest level is a cellar per NYC Building Code, based upon the established curb elevations, and a cellar for NYC Zoning Resolution purposes based upon the actual mean curb level at the street wall line projection. The cellar shall be used solely in connection with the dwelling unit above. No living, sleeping or cooking is permitted in the cellar, and in no case shall the cellar be rented independently of the dwelling above. The cellar is non-inhabitable.

Each unit shall have access to an unfinished attic. The attic clear headroom is less than 6'-0" and is a non-habitable. Access is provided by a pull-down folding attic stair. A heating furnace is located in the attic space with the pull-down attic stair for maintenance access.

The room count for each unit is as follows:

<u>FLOOR</u>	<u>ROOM TYPE & QUANTITY</u>
Cellar	Accessory Storage – 1, Bathroom - 1, Mechanical – 1
First Floor	Living Rm/Dining Area – 1, Kitchen/Dinette -1, Family Room – 1, Bathroom – 0.5
Second Floor	Bedrooms – 3, Bathrooms – 2

The Cellar and First floor ceiling heights are 9'-0" and the Second floor height is 8'-0".

UNIT DESCRIPTION

Dimensions of units are approximate and are located: horizontally; to the unexposed faces of the drywall, including the thickness of such drywalls at the exterior walls of the buildings, and the unexposed faces of the drywalls, including the thickness of such drywalls to the unit side of walls and partitions dividing the units from corridors, stairs and other units, and vertically; by the upper face of the sub-floor of the unit up to the unexposed side of the drywall forming the upper ceiling of the unit. Doors and windows which open from a residential unit and interior walls of a residential unit shall be deemed to be part of the residential unit.

UNIT SIZES

The approximate, net square footage for each unit are as follows:

UNIT #1A & 2A RESIDENTIAL UNIT

Cellar	768 square feet
First Floor	881 square feet
Second Floor	881 square feet

UNIT #1B & 2B RESIDENTIAL UNIT

Cellar	700 square feet
First Floor	881 square feet
Second Floor	881 square feet

UNIT INTERIORS

The units will be finished as described herein:

Four (4) Residential Units

The finished floor of the living room/dining area, kitchen/dinette area, family room and bedroom areas shall be $\frac{3}{4}$ plywood sub flooring and solid hardwood finished flooring. Thereafter, unit owners may finish with carpeting or another material of their choice and at their own expense.

The walls and ceilings shall be gypsum wallboard. When finished, the walls and ceilings shall be primed and painted. Corrosive drywall materials shall not be incorporated in the building. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, mirrors, etc. of their choice.

Kitchens will have hardwood covering the floors and gypsum wallboard wall and ceilings.

Master bedroom bathroom shall be equipped with 2 wash basins, medicine cabinet, water closet and a shower. Full 2nd floor hall bathrooms shall be equipped with a wash basin, medicine cabinet, water closet and a combination bathtub/shower. First floor half bathrooms shall be equipped with a wash basin & water closet. Three quarter basement bathrooms shall be equipped with a wash basin, medicine cabinet, water closet

and a shower stall. Bathrooms shall have ceramic tile floors. Tile around the bathtubs shall extend to the ceiling. Tile around the shower stalls shall also extend to the ceiling. All other bathroom walls shall be of moisture resistant gypsum wallboard.

There shall be at least one centrally located, overhead high-efficiency lamp lighting fixture, provided in each bedroom, living room, dining room, kitchen, family room 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 800 lumens of illumination. Lighting fixtures and electrical outlets shall be installed by a licensed electrician, and in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code. At least 90% of the lighting fixtures shall be outfitted with high-efficiency lamps.

FINISHES

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	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Family Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
4.	Kitchen	Wood	Wood	G.W.B. Painted	G.W.B. Painted
5.	Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
6.	Utility Room	Concrete	Mas. /G.W.B.	G.W.B. Painted	G.W.B. Painted
7.	Accessory Cellar	Concrete	WOOD	G.W.B. Painted	G.W.B. Painted

Note:

G.W.B. = Gypsum Wallboard

Mas. = Masonry

Painted: 2 coats of flat white Benjamin Moore Super Hide Latex Paint

Wood Floors: #1 Oak ¾" thick x 2 1/4" wide T & G with 2 coats of polyurethane

As this is new construction, Asbestos Containing Material and lead-based paint is not present.

FIXTURE SCHEDULE

- A. Water closets shall be by Gerber, Model number GWS31502 or approved equal and shall be vitreous china, floor mounted and with syphon flushing action. Water closets are also

to be equipped with a vacuum breaker and shall meet water saving performance standards as per New York City, Local Law 29/89.

B. Countertop lavatory: shall be by Crane, Model # 1-315 or approved equal and shall be of enameled steel, with faucet by Delta or approved equal and set in a plastic laminate finished, particle board, vanity countertop.

C. Bathtubs shall be by Crane, Model # 2716 or approved equal and shall be of enameled steel, with flow outlet, and shower head and trim by Delta or approved equal.

The sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than to those listed above.

KITCHEN EQUIPMENT

The kitchen will generally be provided with the following fixtures, appliances and equipment:

1. Laminated, wall and base cabinets and laminated countertops.
2. Stainless steel sink by Moen, Model #GS181953Q, with faucet by Delta or approved equal.
3. One, Four burner gas range by Frigidaire, Model #FCRG3052AS, or approved equal.
4. One, Dishwasher by Frigidaire, Model #FDPH431GAS, or approved equal.
5. One, Microwave Oven by GE, Model # JVM3160RFSS, or approved equal.

The sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than to those listed above.

Note:

The refrigerators are not being provided by the Sponsor and will be the responsibility of the unit owners.

The Unit Owners will be responsible for purchasing laundry equipment. The laundry closet has adequate room for a standard-sized stacked washer & dryer of 77-80" tall, 27" wide, and 32-34" deep. There will be hookups only provided by Sponsor providing connection points to water & electricity for a washing machine and gas, electric and exhaust vent hookup with duct to outside air for a gas dryer.

§ 20.7(x) Finish schedule of spaces other than units

Not applicable. There are no common rooms or spaces.

§ 20.7(y) Safety and warning devices

One combination carbon monoxide and smoke detector shall be located on each floor and within each bedroom, as required by law. The detectors are hardwired and interconnected. The owner is responsible to keep the safety warning devices operable.

A fire alarm system is not required by law and is not provided.

§ 20.7(z) Additional information required *(Offering plan drawings)*

§ 20.7(ab) Further development

No further development beyond the current plans as approved by the N.Y.C. Department of Buildings is anticipated for the existing site.

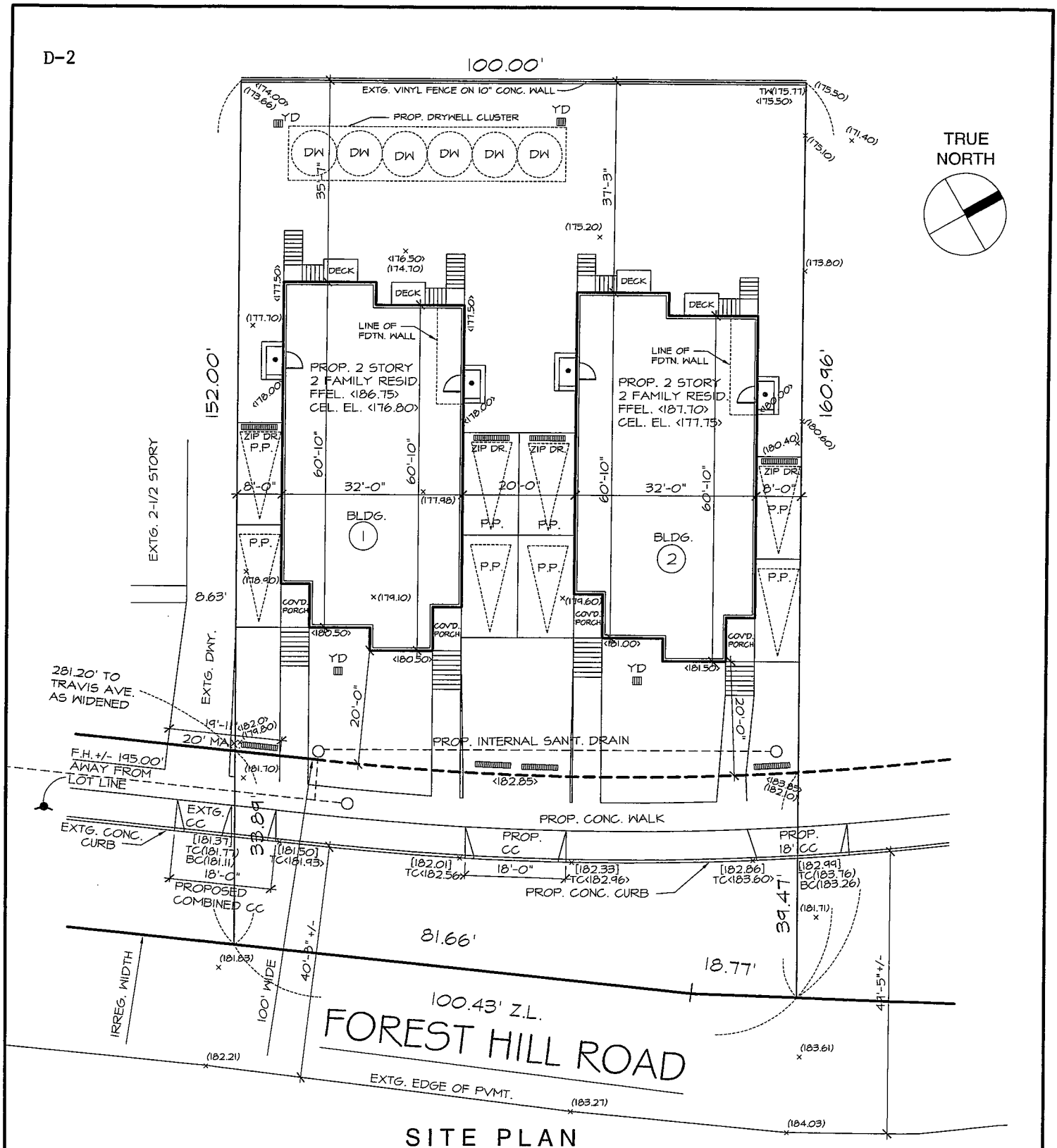
§ 20.7(ac) Asbestos

Not applicable. As this is new construction, Asbestos Containing Material is not present.

§ 20.7(ad) Lead-based paint

Not applicable. As this is new construction, lead-based paint is not present.

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FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

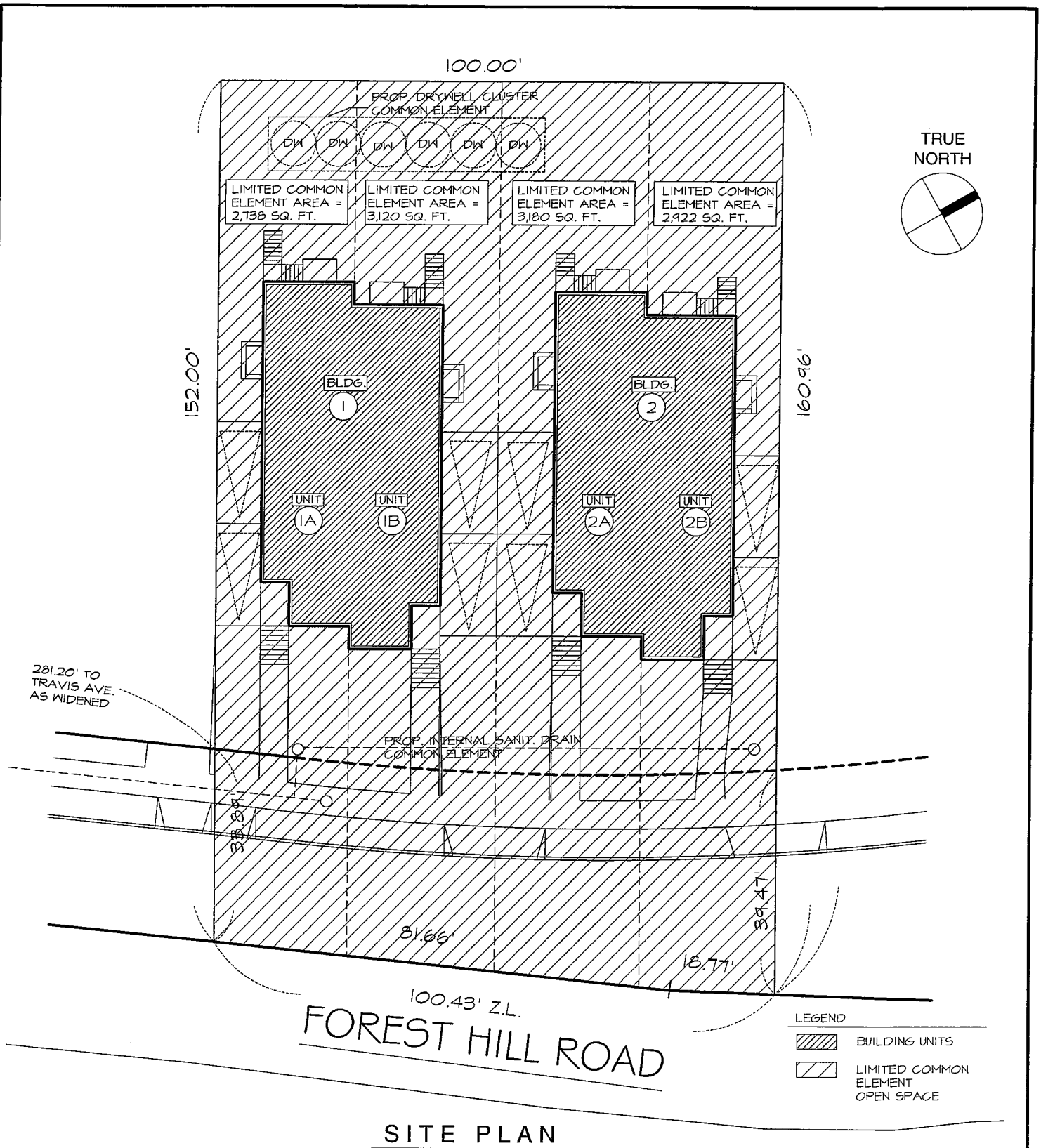
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JOSEPH M. MORACE, A.I.A. ARCHITECT

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FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

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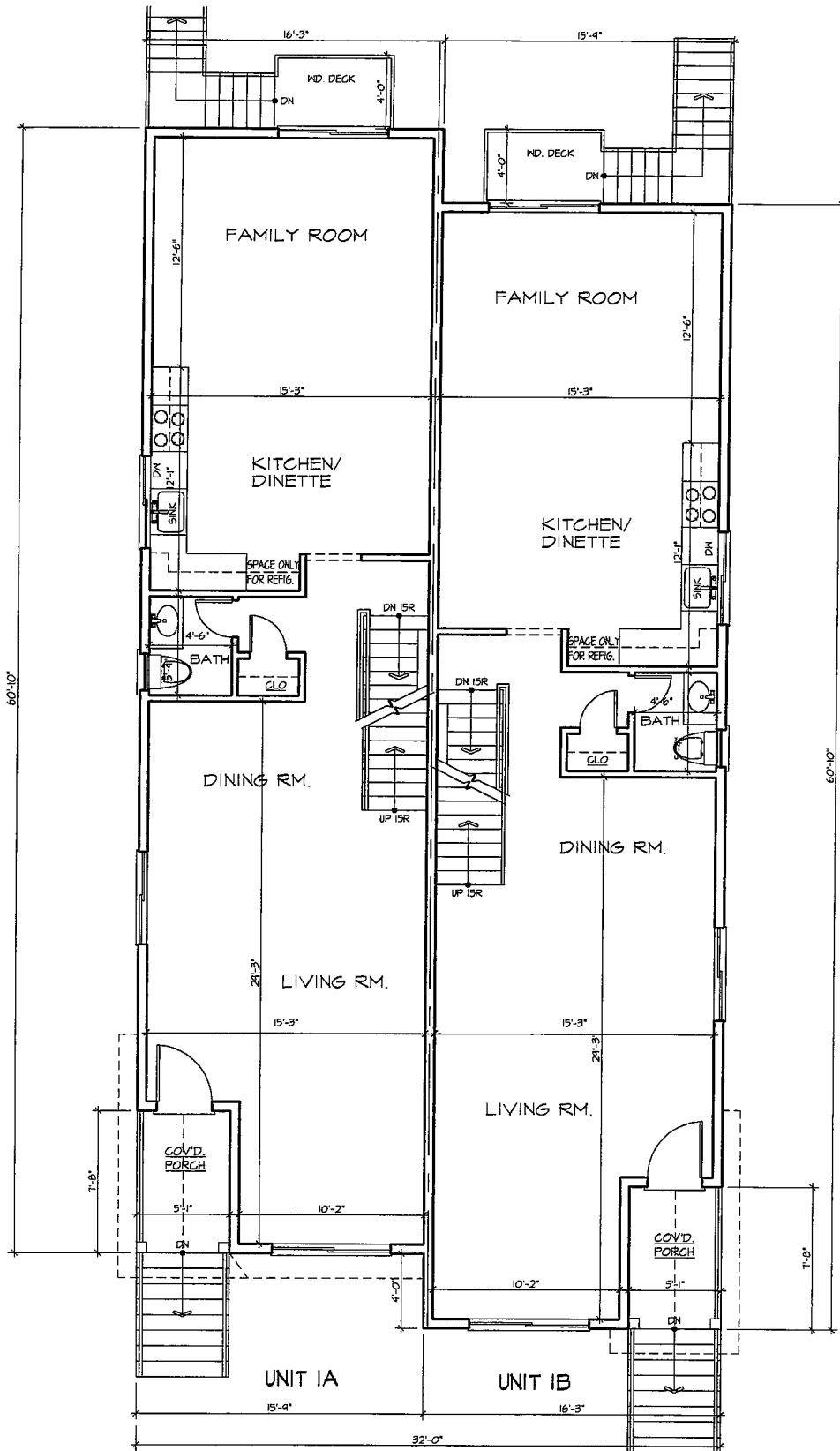
3195 RICHMOND ROAD, S.I., N.Y. 10306 (718) 979-3066

NO LIVING, SLEEPING OR COOKING IS PERMITTED
IN THE CELLAR, AND IN NO CASE SHALL THE CELLAR BE
RENTED INDEPENDENTLY OF THE DWELLING ABOVE.

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FIRST FLOOR PLAN - BLDG. #1

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

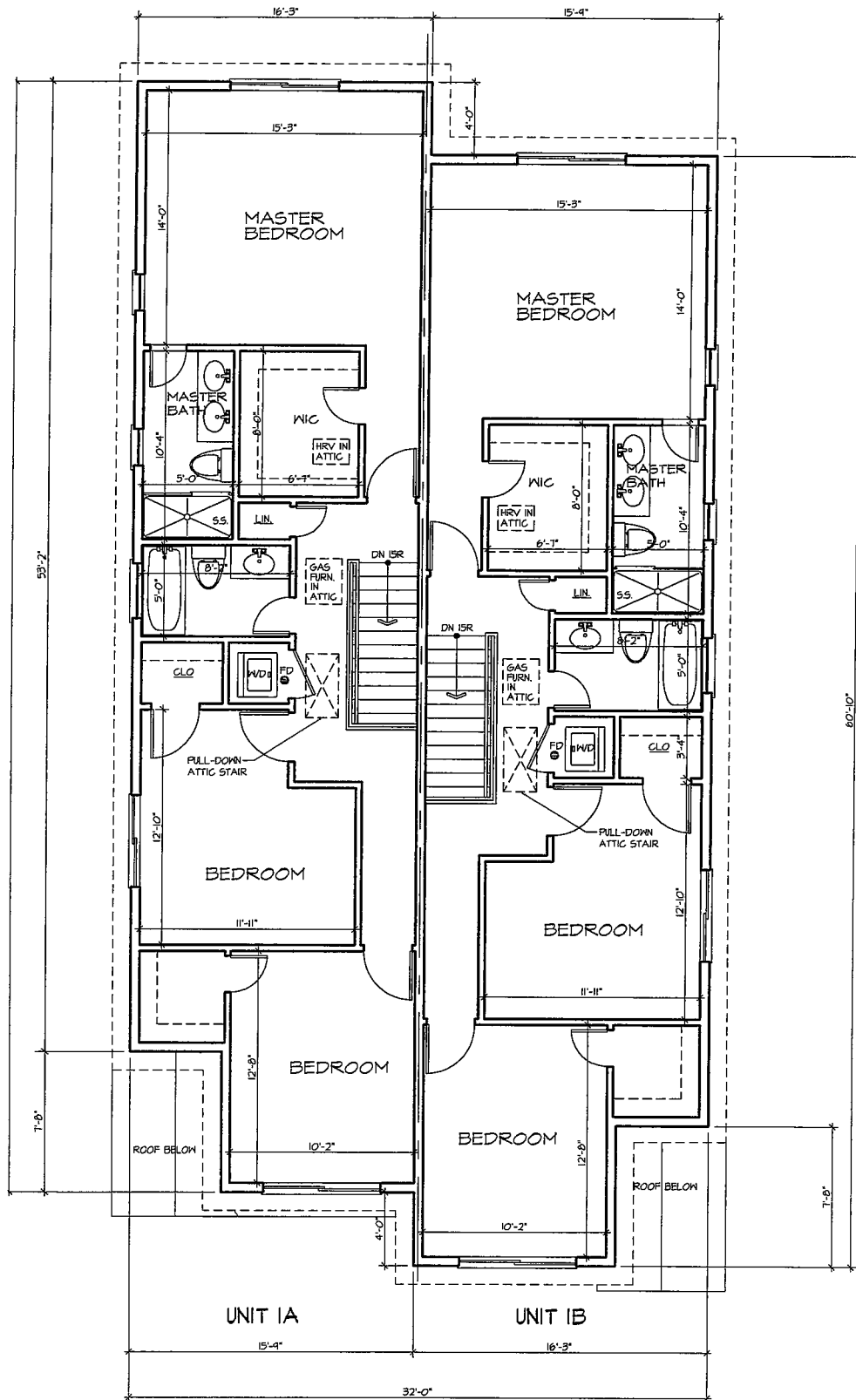
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SECOND FLOOR PLAN - BLDG. #1

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

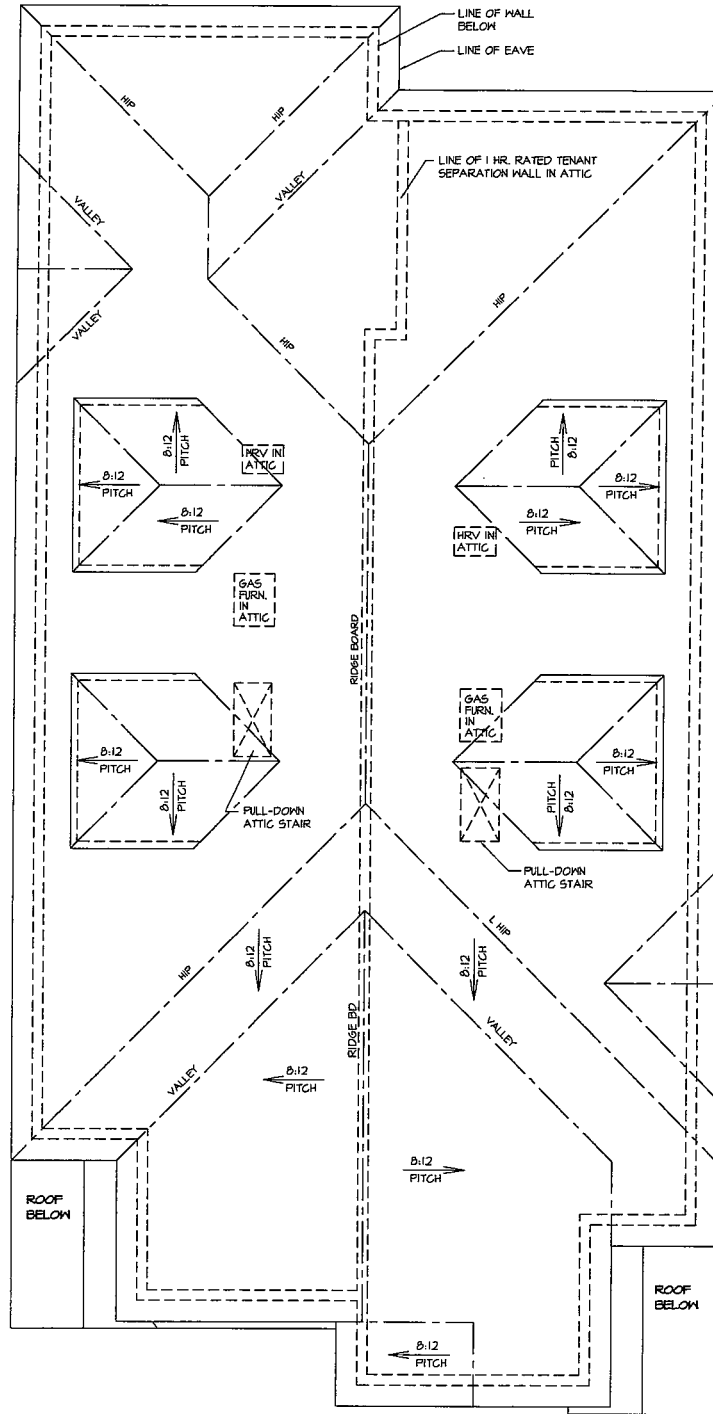


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VS
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UNIT 1A

UNIT 1B

ATTIC/ROOF PLAN - BLDG. #1

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

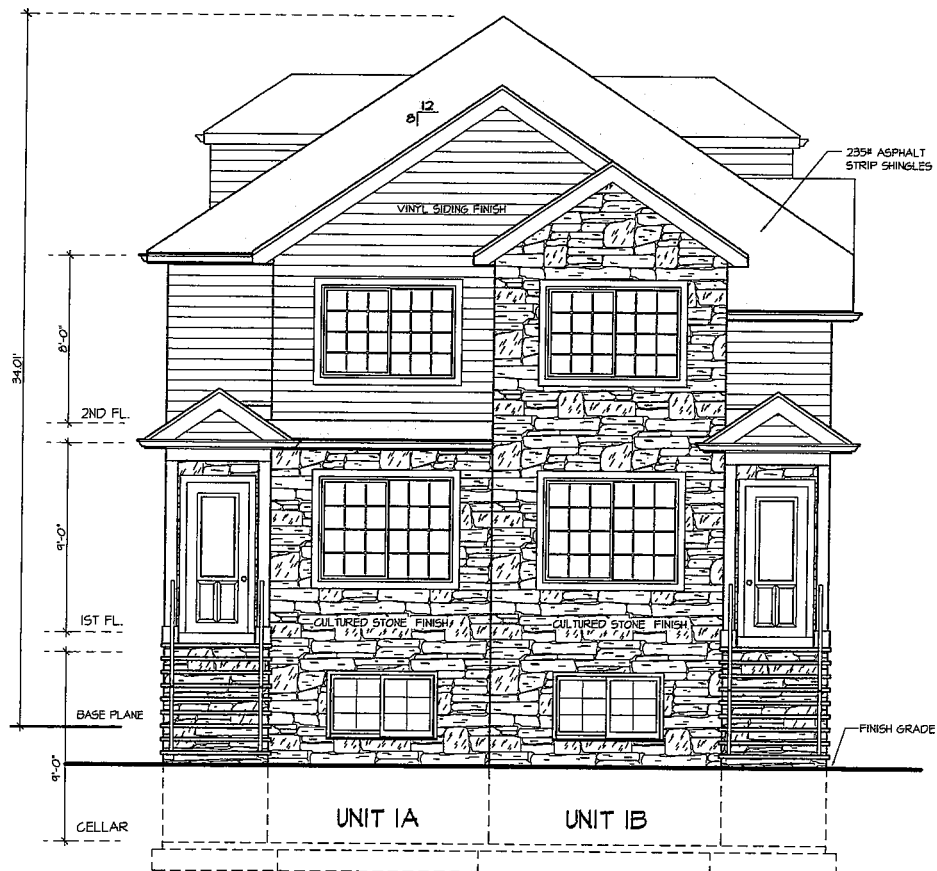
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FRONT ELEVATION BLDG. # 1



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FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

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LEFT SIDE ELEVATION BLDG. #1

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

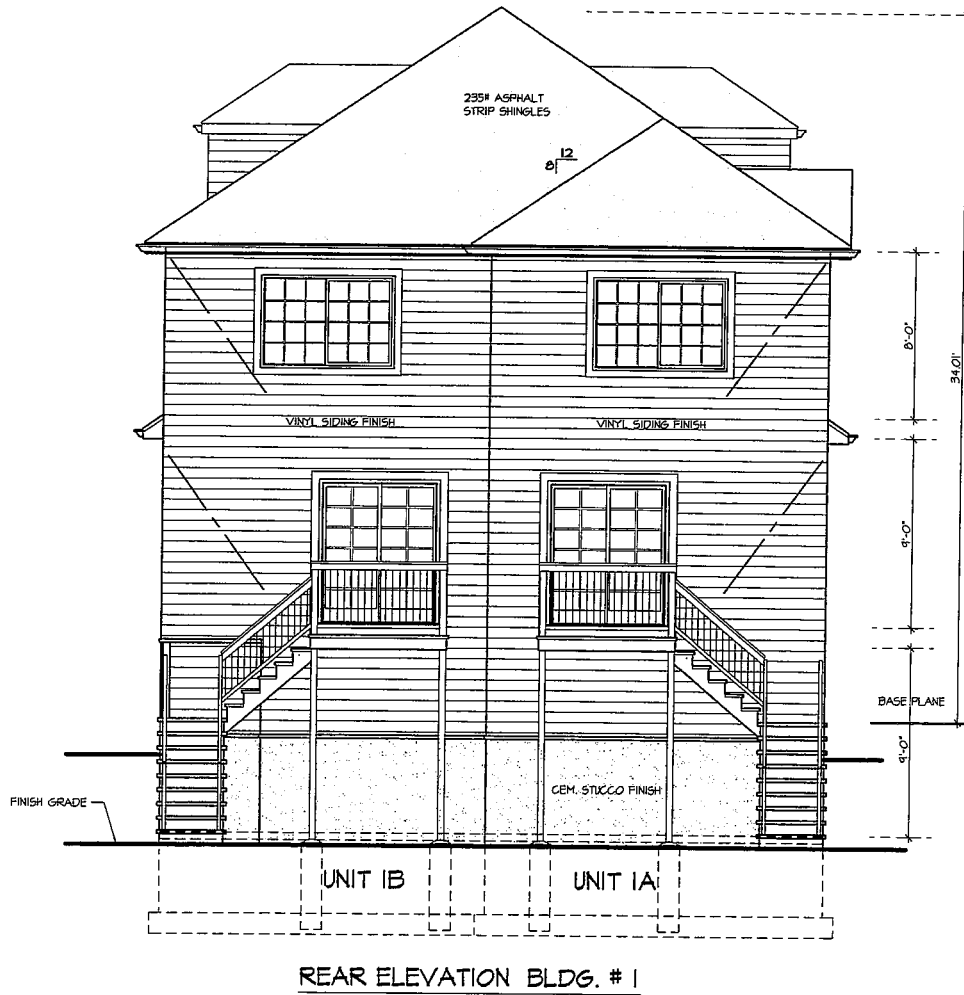
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FOREST HILL WEST CONDOMINIUM

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DATE: 06/02/2025

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FOREST HILL WEST CONDOMINIUM

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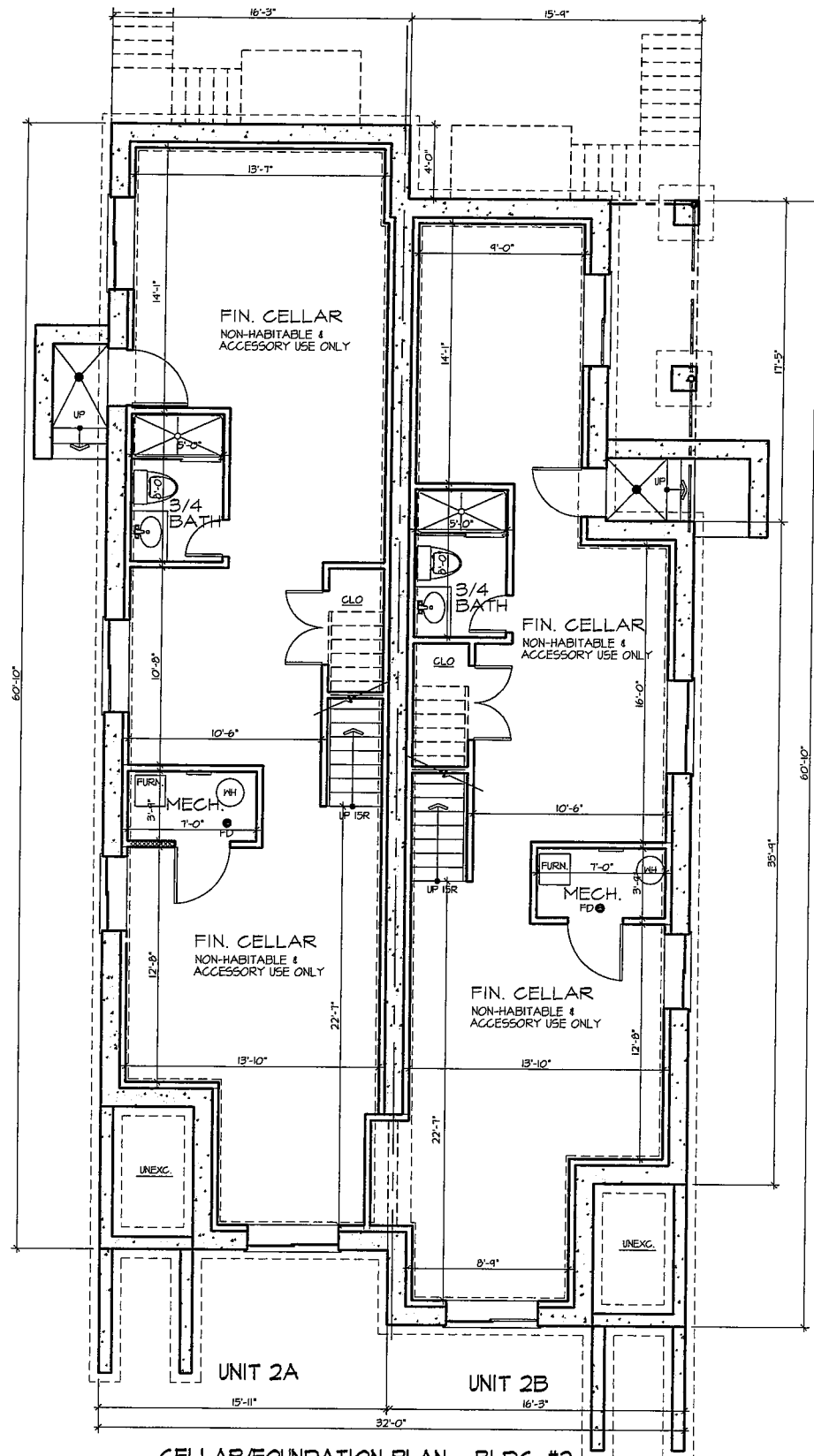
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CELLAR/FOUNDATION PLAN - BLDG. #2

NO LIVING, SLEEPING OR COOKING IS PERMITTED
IN THE CELLAR, AND IN NO CASE SHALL THE CELLAR BE
RENTED INDEPENDENTLY OF THE DWELLING ABOVE.

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

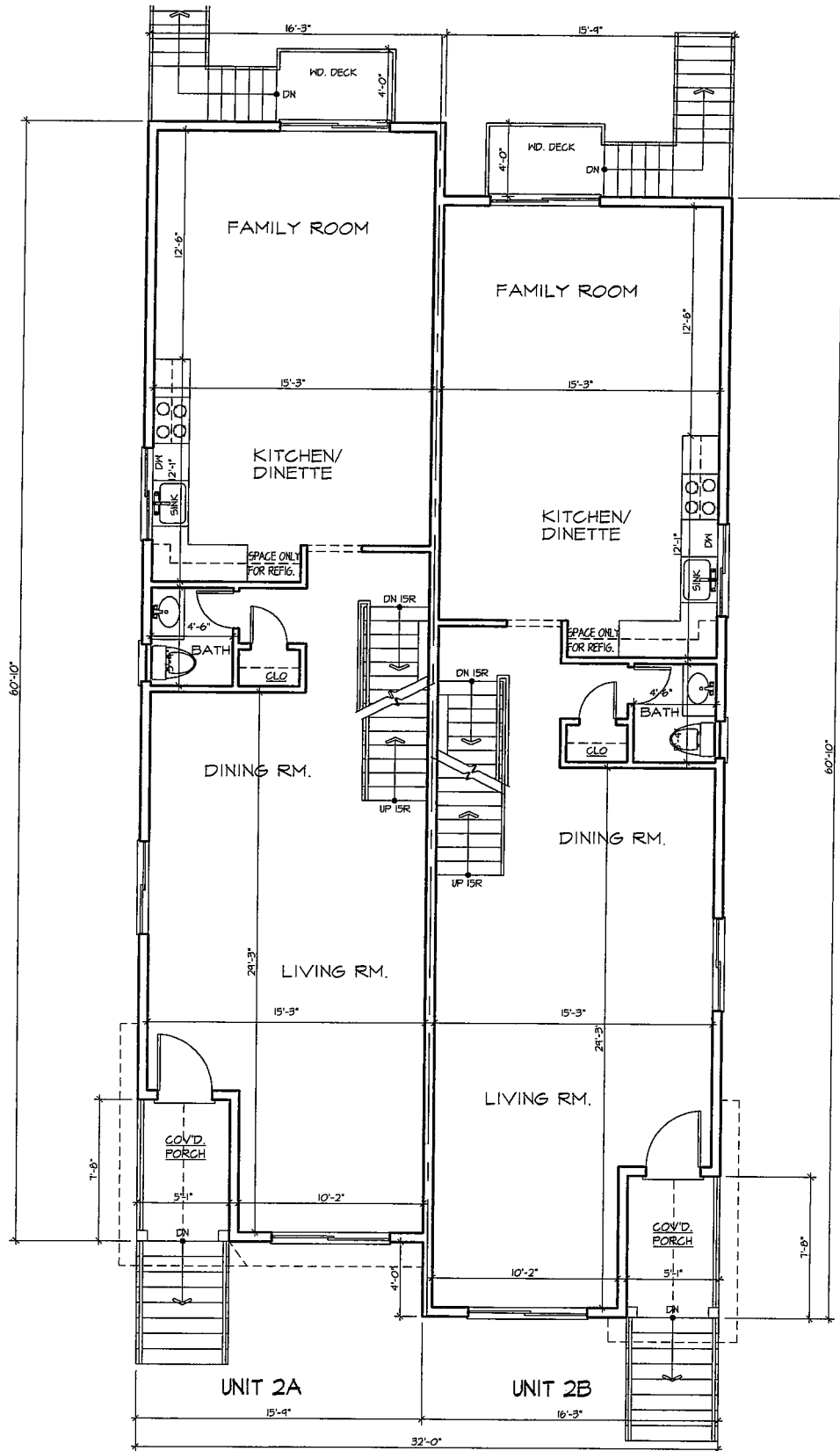
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FIRST FLOOR PLAN - BLDG. #2

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

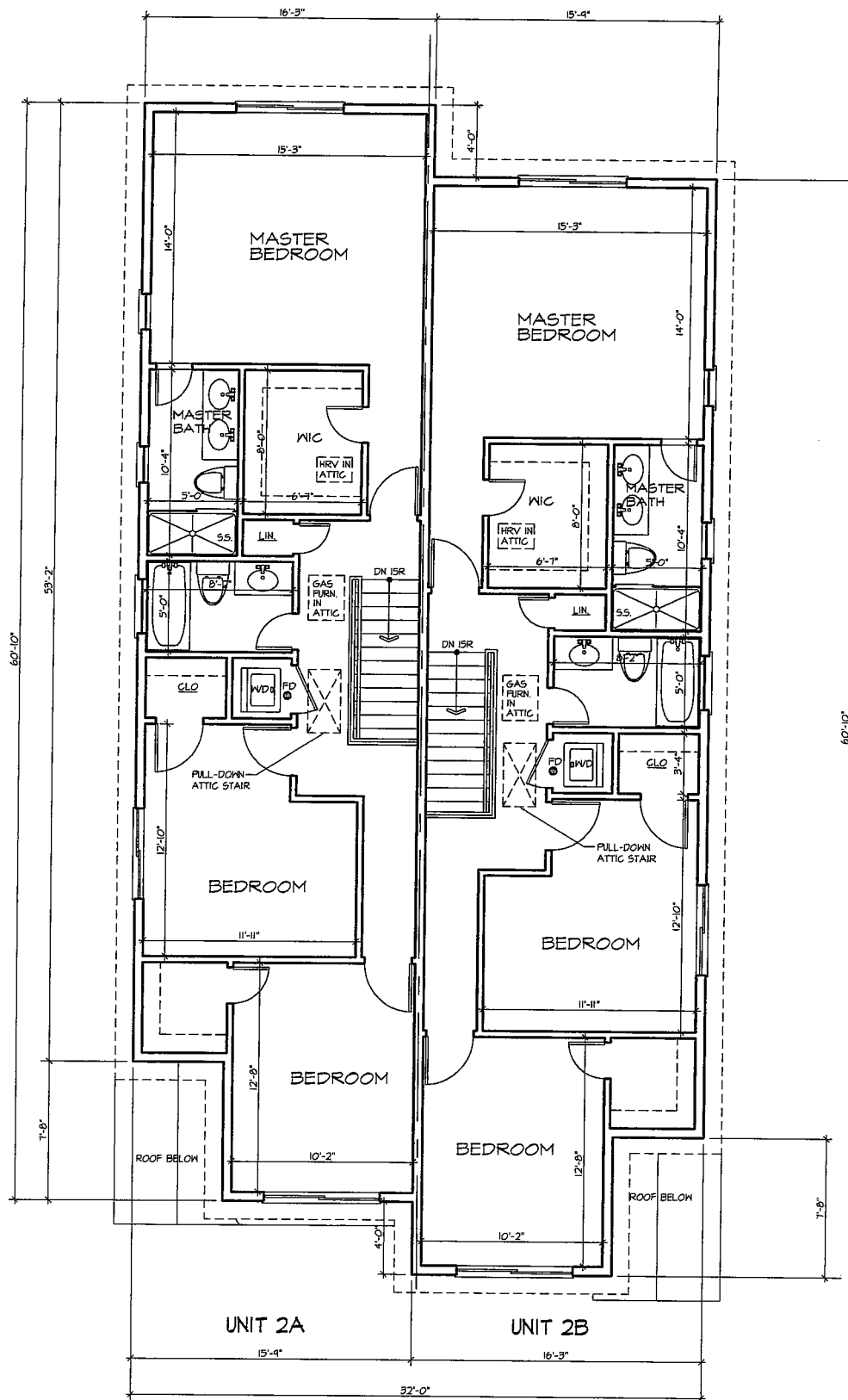
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SECOND FLOOR PLAN - BLDG. #2

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025



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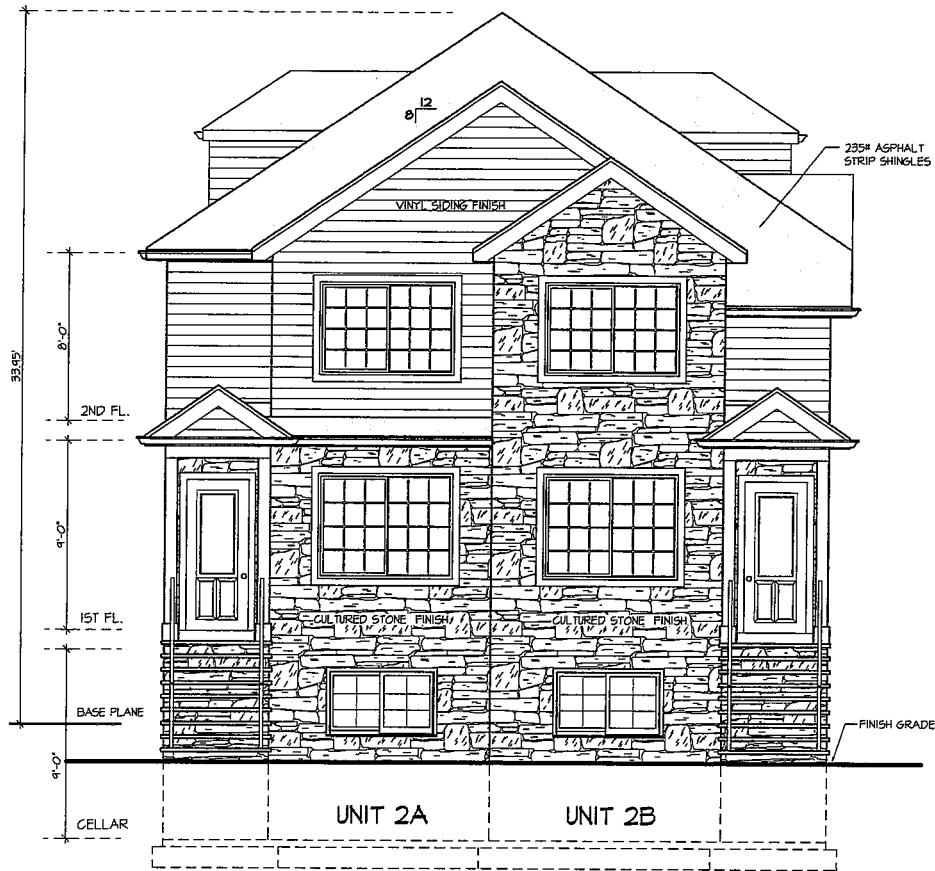
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ATTIC/ROOF PLAN - BLDG. #2

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FRONT ELEVATION BLDG. # 2

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

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LEFT SIDE ELEVATION BLDG. # 2

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

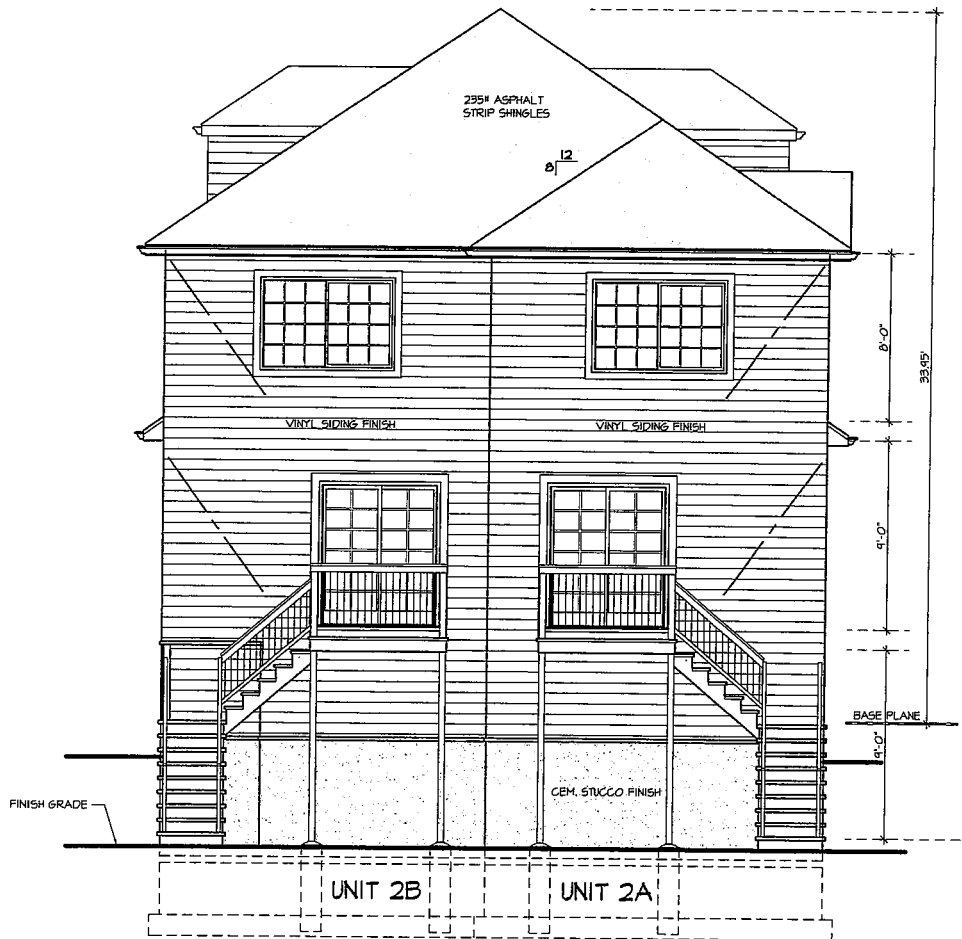
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REAR ELEVATION BLDG. # 2

FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

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RIGHT SIDE ELEVATION BLDG. # 2



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FOREST HILL WEST CONDOMINIUM

SCALE: N.T.S.

DATE: 06/02/2025

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SECTION E

DECLARATION OF THE
FOREST HILL WEST CONDOMINIUM

ESTABLISHING A PLAN OF A CONDOMINIUM OWNERSHIP FOR PREMISES LOCATED AT 1370 & 1372 FOREST HILL ROAD, IN THE BOROUGH OF STATEN ISLAND, COUNTY OF RICHMOND, CITY AND STATE OF NEW YORK, PURSUANT TO ARTICLE 9-B OF THE REAL ESTATE PROPERTY LAW OF THE STATE OF NEW YORK.

NAME: FOREST HILL WEST CONDOMINIUM
 1370-1372 Forest Hill Road, Staten Island, NY 10314

SPONSOR: WALLACE AVENUE BUILDERS, LLC

 4073 Victory Blvd, Staten Island, NY 10314

DATE OF DECLARATION: _____, 20__

THE LAND AFFECTED BY THE WITHIN INSTRUMENT LIES IN SECTION 5, IN BLOCK 2370 F/K/A LOT 162 N/K/A LOTS AND ON THE TAX MAP OF THE BOROUGH OF STATEN ISLAND, COUNTY OF RICHMOND, CITY AND STATE OF NEW YORK.

RECORD AND RETURN

Attorney for Sponsor:

Joseph A. D'Amico, Esq.
114 Seguire Avenue
Staten Island, NY 10309

DECLARATION OF THE
FOREST HILL WEST CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK

In the Borough of Staten Island, County of Richmond, City and State of New York on this ____ day of _____ 20__, **Wallace Avenue Builders, LLC**, whose principal office is situated at 4073 Victory Blvd., Staten Island, NY 10314, hereinafter referred to as the "Sponsor", does hereby state:

FIRST: Submission of Property. By this Declaration, the Sponsor submits the property described in this Declaration to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Sponsor owns all of that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Staten Island, County of Richmond, City and State of New York, being more particularly bounded and described on Schedule "A" which is annexed hereto and made part of this Declaration.

THIRD: Definitions.

(a). The record owner of each Unit is hereinafter referred to as the "Unit Owner". Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote as referred to in this Declaration.

(b) A "Unit" as hereinafter referred to shall be defined as follows: Each Unit shall consist of the area enclosed horizontally by the unexposed sides of the drywalls, including the thickness of such drywalls, of the exterior walls of the building and by the unexposed sides of the dry walls, including the thickness of such drywalls, to the unit side of walls and partitions which separates the unit from the corridors, stairs, and other units, and enclosed vertically by the upper face of the unit's sub-floor of the unit up to the unexposed side of the unit's drywall ceiling where applicable. The Doors and windows which open from the unit shall be deemed part of the unit. No unit owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the unit, which are utilized for or services more than one unit. The description of the Units set forth herein pertains to the location of the walls, floors and ceilings of the unit as they are set forth in the building plans filed simultaneously with the recording of this Declaration.

The Condominium shall contain a total of four (4) residential units.

(c) "Party Wall" as hereinafter referred to shall be defined as a wall which is common to or separates two Units.

(d) "Condominium" as hereinafter referred to shall mean the **Forest Hill West Condominium** which is composed of the Unit owners.

FOURTH: The Sponsor is constructing two, two-unit buildings to be owned as condominium Units located at **1370 & 1372 Forest Hill Road, Staten Island, NY 10314**, according to the floor plans filed simultaneously with the recording of this Declaration in the Richmond County Clerk's office, which plans set forth a description of the building stating the number of stories, the number of units and the principal materials of which they are to be constructed.

The Condominium will consist of four (4) residential Units located in two two-unit buildings, with each unit composed of a cellar, first and second floor, all as set forth in the floor plans filed as part of this Declaration. Each of the Units has access to the street upon which the Condominium abuts. For the purposes of describing the approximate area, type and number of rooms of each unit and the common elements to which each unit has immediate access, the units are fully described on the filed floor plans and on Schedule "B".

Each Unit will be sold to one or more owners, each owner obtaining fee ownership in and exclusive right of occupancy and possession of the Unit, together with an undivided interest in the common elements of the condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements", all of the above in accordance with Article 9-B of the Real Property Law of the State of New York.

The aforesaid condominium covers a plot area of approximately **15,701.00** square feet which includes the building and the yard areas.

FIFTH: Common Elements. The Common elements of the condominium will consist of all of the Condominium, except the Units, including without limitation, the land, building and improvements (other than the units) comprising the condominium, including the land under the building and under the improvements, all utility or other pipes and material located outside of the Units, including outside walls and roofs of units, grass areas, sidewalks, driveways and parking pads.

The common elements shall remain undivided, and no Unit owner shall bring any action for partition or division unless otherwise provided by Law. Each Unit owner shall have the right to use the common elements, other than such portions, if any, which by the terms of this Declaration or the annexed By-Laws are irrevocably restricted in use to other Unit owners, in accordance with the purpose for which such common elements are intended, without hindering the exercise of or encroaching upon the rights of the other Unit owners.

The percentages of undivided interest in the Common elements and the rights and obligations of Unit owners respecting irrevocably restricted portions of the common elements established herein shall not be changed except with the consent of all of the affected Unit owners expressed in a duly recorded amendment to this Declaration.

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

Limited Common Elements. Each unit owner, his guest, invitees, lessees and residents of his unit shall have the exclusive right to use and possess the limited common elements of the building and appurtenant to his or her unit as indicated in the attached Schedule B, subject to the following:

Each Unit Owner shall be solely responsible for the repair and maintenance of the Limited Common Elements appurtenant to his Unit including, but not limited to painting, cleaning, patching, landscaping, snow removal and surface repair. In the event a Unit Owner fails to properly maintain his Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas. The cost thereof shall be assessed against the Condominium Unit to which such Limited Common Element is appurtenant. To the extent that any damage to a Limited Common Element is caused by building conditions, or by other conditions for which the Condominium carries insurance, the cost to repair such damage shall be borne by the Condominium.

The Limited Common Elements of the condominium as set forth in Schedule B are the following: all appurtenant areas and improvements outside of the interior of a unit including the unit's front, side and rear yards, the unit's sidewalks, walkways, driveway and tandem parking pads, the unit's exterior and roof, and the unit's cellar and exterior stairways, porch and deck.

SIXTH: Easements. All pipes, wires, conduits, cable lines, and public utility lines located within each unit shall be owned by such unit owner. Any portion of such pipes, wires, conduits, cable lines and public utility lines located in the common elements will be owned in common by the unit owners. Every unit owner shall have an easement in common with the owners of other units to maintain and use all pipes, wires, conduits, cable lines and public utility lines located in other units and servicing such owner's unit. Each unit shall be subject to an easement in favor of the owners of other units to maintain and use the pipes, wires, conduits, cable lines and public utility lines servicing other units which are located in such Unit.

The Board of Managers shall have the right to access each unit for maintenance, repair or improvement to any pipes, wires, conduits, cable lines and public utility lines located in any unit and servicing any other unit. The cost of such repairs shall be a common expense.

The Board of Managers shall have the right to access all common elements for maintenance, repair or improvement whether such common elements are limited or not.

The Sponsor, on behalf of itself and its successors and assigns who may take title to portions of the Condominium for purposes of development and sale, reserves the right to continue to use the common elements and any facilities, sales offices, model units, and signs located on the common elements, in its efforts to market units in the Condominium. This paragraph shall not be amended without the written consent of the Sponsor.

SEVENTH: Service of Process and Building Code Violations. Service of process on the unit owners in any action with relation to the common elements or more than one unit and regarding any violation of local building codes, zoning ordinances and other related building and zoning laws by the Common Elements or one or more units shall be made upon the Board of Managers of the Condominium. The Board of Managers shall have the principal responsibility for curing any violations of such building and zoning laws and service upon the Board of Managers shall be deemed service upon the owner or owners of the Condominium unit or units in which any such violation exists. The provisions of this Article shall not be amended without the consent of the Department of Buildings or any city agency which is a successor thereto.

EIGHTH: Common Interest. Each Unit owner shall have a percentage interest in the Common Elements and shall bear such percentage of the common expenses of the Condominium. The percentage interest of each Unit in the common elements has been determined by the Sponsor and is set forth in the Offering Plan of the Condominium and is recorded with the Plan.

Each Unit owner shall have one vote for all voting purposes at any meeting of the Unit owners unless otherwise mandated by law or expressly provided for herein or in the By-Laws.

NINTH: Administration. The administration of the condominium and the parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto.

TENTH: Amendment and Withdrawal. The property shall not be withdrawn from condominium ownership unless at least 90% of the Unit owners in number and common interest and the first mortgagees, if any, of each of these same units agree to such removal by duly recorded instruments. Such withdrawal of the property from condominium ownership shall not take effect until the withdrawal documents are duly recorded in the office of the Clerk of the County of Richmond.

Except as provided pursuant to real Property Law section 339-p, the provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 90% of the Unit owners in number and in common interest held at a duly called meeting of the unit owners provided, however, that:

(i) No amendment shall alter the percentage interest in the common elements appurtenant to any unit or alter any rights or obligations respecting portions of the Common Elements irrevocably restricted in use to the owners of any Units without the consent of the affected unit owners and the first mortgagees, if any, of the same units, which consents shall be expressed in the instruments of amendment.

(ii) No amendment shall add any parcel of land or Unit to or divest any parcel of land or unit from the Condominium property unless 100% of the unit owners in number and common interest and the first mortgagees, if any, of each of these same units agree to such change on the instrument or amendment.

(iii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.

(iv) There shall be a presumption for a period of 60 days subsequent to the recording of the amendment that the vote of the unit owners was made at a duly called meeting and that the requisite voting percentages were obtained. After the 60-day period, such presumption will be deemed conclusive. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Richmond County Clerk.

ELEVENTH: Subject to Declaration, By-Laws, etc. All present and future unit owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner are subject to the provisions of this Declaration, the By-Laws and Rules and regulations of the Condominium and the mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units shall signify that the provisions of the Declaration, By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof

TWELFTH: Common Charges. All sums assessed as common charges by the Board of Managers of the Condominium but unpaid, together with interest at the maximum legal rate thereon, chargeable to any Unit owner shall constitute a lien on his Unit prior to all other liens except: (a) tax or assessment liens on the unit by the taxing subdivision of any governmental authority, including but not limited to State, City, County and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any unit. Such lien may be foreclosed, when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees (but such right shall not be a lien against the unit).

In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid common charges, the unpaid balance shall be charged to all Unit owners as a common expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the unit shall not be subject to a lien for the payment of common charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of common charges shall be charged to all other Unit owners as a common expense. The term "institutional mortgage" herein shall mean a first mortgage granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, pension fund, trust company, agency of the United States Government or of the City or State of New York or other similar institutional lender or a purchase money mortgage granted by the Sponsor.

Every unit owner shall pay the common charges assessed against him when due and no Unit owner may exempt himself from liability for the payment of common charges assessed against him by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Unit. However, no unit owner shall be liable for the payment of any common charges accrued after a sale, transfer or other conveyance by him of such unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

THIRTEENTH: Units acquired by the Board. In the event any Unit owner shall convey his unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit in a foreclosure sale, title to such unit or the rights to the lease of such unit shall be held by the Board of Managers or its designee on behalf of the other Unit owners. In order to carry out the provisions of this paragraph, each Unit owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers and their successors to acquire title or lease any such unit under whatever terms the Board may in its sole discretion deem proper and sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

FOURTEENTH: Encroachments. The unit owners agree that if any portion of a Unit or the common elements (whether restricted in use to an individual unit owner or not) encroaches upon another or shall hereinafter encroach upon another because of construction, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the building is partially or totally destroyed as a result of fire or other casualty or a result of condemnation or eminent domain proceedings and are rebuilt, the unit owners agree that encroachments of any portion of the unit or the common elements as herein described due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed building shall stand.

FIFTEENTH: Unit Ownership. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit owner in the Condominium subject to the Declaration. By-Laws and other effective rules and regulations and shall remain such until such time as he ceases to own a Unit for any reason.

SIXTEENTH: Conveyance of a Unit. In any conveyance of a unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the grantee of the unit shall be jointly and severally liable with the Grantor for any unpaid common charges against the Grantor assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the grantor the amount paid by the grantee therefore. Any such grantee shall be entitled to a statement from the Board of Managers setting forth the amount of unpaid common charges against the Grantor and such Grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for any unpaid common charges against the Grantor more than the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a unit at a foreclosure sale of an institutional mortgage.

SEVENTEENTH: Covenants and Restrictions. The use of the Unit by the Unit owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and rules and regulations of the Board of Managers and the following covenants and restrictions:

(a) The unit and area restricted to the unit owner's use shall be maintained in good repair and overall appearance.

(b) No alterations to the exterior of the unit or any part of the common elements may be made without the written consent of the Board of Managers. No alterations to the inside of a unit which would impair the structural soundness of the Building may be made without the written consent of the Board of Managers. Consent may be requested by mailing a letter, certified mail, return receipt requested, to the Management Agency, if any, or to the President of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have an obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

(c) Any Unit owner who mortgages or sells his unit shall notify the Board of Managers providing the name and address of his mortgagee or purchaser,

(d) The Board of Managers shall, at the request of the mortgagee of the unit, report any unpaid common charges due from the Unit owner of such Unit.

(e) No nuisance shall be allowed upon the property, nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(f) No immoral, improper, offensive, or unlawful use shall be made of the property nor of any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(g) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the unit owners provided, however, that copies of such regulations are furnished to each unit owner prior to the time the said regulation becomes effective.

(h) The common charges shall be paid when due.

(i) The use for which the units are intended is residential occupancy, provided that, subject to all applicable governmental laws and regulations, any unit may be used as a professional office if the owner thereof resides therein.

EIGHTEENTH: Utilities. Gas and electricity consumed in or on the common elements (but not limited common elements) and non-metered water covering the units and the common elements shall be paid for by the Board of Managers as an item of common expense, unless otherwise billed separately by the supplier. Each unit shall be individually metered for gas, electricity and water and the expense of such utilities consumed within or arising from the unit shall be paid for by the owner of the Unit.

The Sponsor, while in control of the Condominium, and the Board of Managers and the Unit owners thereafter shall maintain all internal sewers and drains at all times throughout the life of the Condominium. They shall be responsible for the abatement of any nuisance due to the use of the "internal drains" that would have an adverse effect on the health, safety and welfare of the City and State of New York.

The charges and assessments for maintenance and operation of internal drains shall be a charge upon the land against which the same are made and shall be a continuing lien upon the property so charged and assessed, and in addition, that charge or assessment shall be a personal obligation of the record owner of the unit against which the same is made.

The Sponsor and/or the Board of Managers on behalf of the Condominium and each member thereof, shall utilize the "internal drains" in such a manner, that it will not in any way have an adverse effect on the City of New York's completed or pending sanitary and storm water drainage plans for the tributary drainage area of the separate sewer outlets,

NINETEENTH: General Provisions

A. Enforcement

The Condominium, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Condominium or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

B. Severability

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no manner affect the validity of any other provision, all of which shall remain in full force and effect.

C. Amendment

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than one hundred percent (100%) in number and common interest of the Unit Owners, and thereafter by an instrument signed by not less than one hundred percent (100%) in number and common interest of the Unit Owners. Any amendment must be recorded.

In Witness Whereof, the undersigned, being the Declarant herein, has hereunto set its hand and seal this day of , 20__.

WALLACE AVENUE BUILDERS, LLC

By: _____

Name: _____

Its: _____

State of New York, County of _____ ss:

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

Notary Public

SCHEDULE A
TO THE DECLARATION OF
FOREST HILL WEST CONDOMINIUM

1370-1372 Forest Hill Road, Staten Island, NY 10314

Block 2370, Condo Lots 1001 through 1004, F/K/A Lot 162

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Staten Island, County of Richmond, City and State of New York, being more particularly bounded and described as follows:

BEGINNING at a point on the northerly widening line (100.00 feet wide) of Forest Hill Road, distant 281.20 feet easterly from the intersection of the northerly widening line of Forest Hill Road, and the easterly widening line of Travis Avenue.

RUNNING THENCE the following courses and distances:

North 52 degrees 33 minutes 38 seconds West 118.11 feet.

North 37 degrees 20 minutes 22 seconds East 100.00 feet.

South 52 degrees 33 minutes 38 seconds East 121.49 feet to the northerly widening line of Forest Hill Road.

THENCE on a curve bearing to the right having a radius of 500.00 feet, central angle of 9-51-06, length of 85.97 feet.

THENCE South 43 degrees 36 minutes 00 seconds West along the widening line of Forest Hill Road 14.24 feet to the Point or Place of BEGINNING.

**SCHEDULE B
TO THE DECLARATION OF
FOREST HILL WEST CONDOMINIUM
1370-1372 Forest Hill Road, Staten Island, NY 10314**

Block 2370, Condo Lots 1001 through 1004, F/K/A Lot 162

Unit	Tax Lot	Percentage of Common Interest	Location	Sq. Feet	Bedrooms/ Bath	Limited Common Areas: Sq. Feet
1370 Forest Hill Road 1A	1001	25.00%	Cellar First Floor Second Floor	925 935.39 935.35	3 bedrooms 3.5 bath	Y: Parking: 288 Front Yard*: 1,349 Side Yard**: 487 Rear Yard: 839 Deck: 24 Porch: 39
1B	1002	25.00%	Cellar First Floor Second Floor	861 935.50 935.39	3 bedrooms 3.5 bath	Y: Parking: 360 Front Yard*: 1,453 Side Yard**: 608 Rear Yard: 996 Deck: 24 Porch: 39
1372 Forest Hill Road 2A	1003	25.00%	Cellar First Floor Second Floor	925 935.39 935.35	3 bedrooms 3.5 bath	Y: Parking: 360 Front Yard*: 1,554 Side Yard**: 487 Rear Yard: 954 Deck: 24 Porch: 39
2B	1004	25.00%	Cellar First Floor Second Floor	861 935.50 935.39	3 bedrooms 3.5 bath	Y: Parking: 288 Front Yard*: 1,416 Side Yard**: 487 Rear Yard: 956 Deck: 24 Porch: 39

Footnotes:

Y: areas of unit front, side and rear yards including parking pads and driveway, where applicable. Also includes unit's deck and porch.

*front yard area also includes portion of street improvements.

**side yard area also includes applicable SF of parking.

SECTION F

SCHEDULE C

BY-LAWS

OF

FOREST HILL WEST CONDOMINIUM

ARTICLE I

Plan of Unit Ownership

Section 1. The property located at 1370-1372 Forest Hill Road, Staten Island, NY 10314 (hereinafter called the property) has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the office of the Clerk of Richmond County simultaneously herewith and shall hereinafter be known as the **Forest Hill West Condominium**, a Condominium (hereinafter the Condominium). The residential apartments herein are sometimes called the Units.

Section 2. The provisions of these By-Laws are applicable to the property of the Condominium and to the land and the building and improvements thereon (including the units and the common elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal, or mixed, intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York.

Section 3. All present and future owners, mortgagees, lessees, tenants, their families, guests, licensees, agents and their employees, and other persons who may use the facilities of the Condominium, in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units will signify that these By-Laws, the Declaration, and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. The office of the Condominium and of the Board of Managers shall be located at 1370 Forest Hill Road, Staten Island, NY 10314.

ARTICLE II

Voting

Section 1. The Condominium shall be limited to Unit owners. Unit Owners, as referred to herein, shall mean all of the deed owners of each Unit.

Section 2. Each Unit owner (including the Sponsor and the Board of Managers, if the Sponsor and Board of Managers shall own or hold title to one or more Units), shall be entitled to cast one vote at all

Unit owners' meetings for each unit owned by such unit owners, but the Board of Managers shall not cast any votes for the election of any member of the Board.

Section 3. Unit Owners who represent at least 75% of the common interest in the aggregate of all unit owners who are present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum is not present or represented at a called meeting of the Unit owners, the Unit owners present shall have the power to adjourn the meeting without notice other than an announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. When a quorum is present at any meeting, the vote of a majority of the Unit owners present in person or represented by written proxy shall decide any question brought before such meeting. Such vote shall be binding upon all Unit owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. At any meeting of unit owners, every Unit owner having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meetings or subsequent adjourned meetings thereof.

Section 6. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which such proxies are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Whenever the vote of Unit owners at a meeting is required or permitted by any provision of the Declaration, Statutes, or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of the unit owners may be dispensed with if all Unit owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Meetings shall be held at such suitable place convenient for the Unit owners as may be designated by the Board of Managers.

Section 9. Within thirty (30) days after the earlier of (i) one (1) year after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent (50%) of the common interest, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of three Managers shall be elected by the unit owners and the former members of the Board shall thereupon resign. Thereafter, annual meetings shall be held on the anniversary of such date each year. At such meetings they shall be elected by ballot of the Unit owners a Board of Managers in accordance with these By-laws. The unit owners may transact such other business of the Condominium as may properly come before them.

ARTICLE III

Board of Managers

Section 1. The affairs of the Condominium shall be governed by a Board of Managers. Until the first meeting of unit owners pursuant to Section 9 of Article II, the Board of Managers shall consist of three (3) people designated by the Sponsor of the Condominium.

After the first meeting of the Unit owners, the Board of Managers shall consist of three (3) people elected by all Unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth in Section 1(c) of Article V of these By-Laws. The Board of Managers shall be unit owners or members of a unit owner household who are unrelated to the sponsor and its principals, or mortgagees of units, or, in the case of partnership owners or mortgagees, shall be members or employees of such partnership, or in the case of corporate owners or mortgagees, shall be officers, directors, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries or officers or employees of such fiduciaries, or in the case of the Sponsor, shall be designees of the Sponsor.

Section 2. Vacancy and Replacement. If the office of any Manager becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Managers though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor, who shall hold office for the unexpired term in respect of which such vacancy occurred and until his successor is duly elected and qualified. If the vacancy occurs with respect to any member of the Board of Managers who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term. If such appointee vacates during a period of time in which the sponsor does not have the right to appoint a member, the sponsor will not have the right to appoint a replacement.

Section 3. Removal. Managers may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager other than a designee of the Sponsor shall continue to serve on the Board if, during his term of office, he shall cease to be either a Unit Owner, or a lessee or occupant entitled to the access of the Common Elements in lieu of the Unit Owner renting or permitting him to occupy the unit in which he resides.

Section 4. Powers.

(a) The property and business of the Condominium shall be managed by its Board of

Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute, Declaration, Certificate of incorporation or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but shall not be limited to the following:

1. To determine and levy monthly assessments (Common Charges) to cover the cost of operating and maintaining the Common Elements, and providing repairs and maintenance, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses. Said increase can only be assessed among the unit owners pro rata to their respective common interest.

2. To collect, use and expend the assessments collected to maintain and care for and preserve the Units, building and other common elements.

3. To enter into and upon the Units when necessary and at as little inconvenience to the Unit owners as possible in connection with the maintenance, care and preservation of the property.

4. To make repairs, restore or alter any Units or the common elements after damage or destruction by a casualty or as a result of condemnation or eminent domain proceedings.

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

6. To insure and keep insured the Common Elements in accordance with Article XII of these By-laws.

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from unit owners for violations of the house rules or rules and regulations herein referred to.

8. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the unit owners when the Board has approved them in writing and delivered a copy of such rules and all amendments to each unit owner. Such rules and regulations may, without limiting the foregoing, include reasonable limitations on access to the Common Elements.

9. To employ workmen and purchase supplies and equipment, to enter into contracts, and generally to have the powers of Managers in connection with the matters hereinabove set forth.

10. To bring and defend actions by or against more than one unit owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the common charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of the Condominium and these By-Laws and may fund the cost of such litigation out of the common charge assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the common elements.

11. To purchase any Unit at a foreclosure sale on behalf of all Unit owners.

12. To acquire Units in foreclosure or because of abandonment and to take any and all steps necessary to repair or renovate any unit so acquired and to vote as unit owner, offer such unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

13. To grant utility or other easements as may, at any time, be required for the benefit of the Condominium and unit owners without the necessity of consent thereto, or joinder therein, by the unit owners or any mortgagee.

14. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local and county real estate assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all unit owners for which it is acting as agent and charge all such unit owners a pro-rata share of expenses, disbursements, and legal fees for which charges the Board of Managers shall have a lien pursuant to these By-Laws.

15. Real estate taxes will be included in the common charges and paid by the board on behalf of the condominium until the units are separately assessed.

16. Although the board of managers has sole authority to enforce the rights of the condominium there is one exception. When it is sixty (60) days before the expiration of the statute of limitations or the board has not enforced such rights after reasonable notice and opportunity, the unit owners are empowered to enforce such rights on behalf of the condominium.

17. To establish and/or maintain a reserve fund for capital repairs, replacements and/or improvements

(b) The Board of Managers may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Managers or unit owners one of whom shall be a Manager, which to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolutions adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for two years after the filing of the Condominium Declaration so long as the Sponsor or its designee shall continue to own units representing 25% or more in common interest, the Board of Managers may not, without the Sponsor's prior written consent (i) make any addition, alteration or improvements to the common elements or to any units, (ii) assess any common charge for the creation of, or addition to or replacement of all or part of a reserve for contingencies provided in the estimate of receipts and expenses for the first year of operation set forth in Schedule B of the Plan of Condominium Ownership or (iii) hire any employee in addition to the employees referred to in the Plan of Condominium Ownership or (iv) enter into any service or

maintenance contract for work not covered by contracts in existence on the date of the first closing of title to a unit or (v) borrow money on behalf of the Condominium.

(d) During any period that the Sponsor controls the board, the board of managers may not enforce (as a result of sponsor's control thereof) the obligations of the sponsor under the Plan or as otherwise required by law. During the period that the Sponsor controls the board, the Sponsor agrees that it will enforce such obligations pursuant to a resolution passed by a majority of the unit owners excluding the sponsor at a special meeting called for such purpose.

Section 5. Compensation. Managers and officers, as such, shall receive no compensation for their services.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacement to the common elements of the Condominium including but not limited to all maintenance, repairs and replacement to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one unit and services another unit or more than one unit or so much of any pipes, wires, cables, conduits and public utility lines as are located in the common elements but service more than one unit shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all sewer stoppages to the internal sanitary sewer drain which services more than one unit occurring in the common elements.

Except as is otherwise specifically provided, all maintenance to the units, including to exterior walls, roof and roof members, exterior stairs and decks, as well as electrical repairs and sewer connections, plumbing stoppages, window cleaning, painting and decorating in the units, and repairs and replacements to the units including windows and doors (including all glass breakage), and repairs to pipes, wires, cables and conduits located in and servicing the same unit, other than as set forth above, shall be made by the respective unit owners at their own expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit owner to whom such common element is restricted in use. However, the Board of Managers shall repair or replace any pipes, wires, conduits, cables and public utility lines located underground or overhead any irrevocably restricted common element, except where such repair or replacement is necessitated because of the negligence, misuse or neglect of the unit owner to which the common element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such unit owner. Due to the location and nature of the limited common element parking pads, these parking spaces as well as walkways, driveways and sidewalks serving a unit, shall be maintained by the individual unit owners.

The Board of Managers and its agents, employees, and contractors shall have a right to access any unit and to all portions of the common elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. All repairs, painting or maintenance, whether made by the unit owner or by the Board of Managers to the doors, windows, or the exterior surface of the building, including the roof, or to any generally visible portion of the common elements, shall be carried out in such manner as to conform to the materials, style and color initially provided by the Sponsor.

If a Unit owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common elements. any other unit, or, in the event of service of a Building Department violation notice covering the unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the unit owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the unit owner for the cost of all such repairs, painting and/or maintenance. If the Board of Managers charges a unit owner for the painting or maintenance to any common element restricted in use to such unit owner, and the unit owner fails to make prompt payment, such charges shall be considered as additional common charges due from said unit owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board brings such a suit. the unit owner shall be liable for the reasonable attorney's fees and costs of such suit or proceeding together with interest on all sums.

Section 7. Meeting of Board of Managers

(a) The first meeting of each Board newly elected by the Unit owners shall be held immediately following the adjournment of the meeting at which they are elected, providing a quorum shall then be present or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the unit owners' meetings, and immediately after the adjournment of such meeting, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days' notice to each Member either personally or by telephone, mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two(2) Managers.

(d) At all such meetings of the Board, a majority of the Managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or these By-Laws. if a quorum is not present at any meeting of Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before, or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice.

Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all Managers are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

(f) Managers or members of any committee of the Board of Managers may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8. Annual Statement. The Board of Managers shall furnish to all unit owners, their mortgagees and the Department of Law of the State of New York and shall present annually (at the annual meeting) and when called for by a vote of the unit owners at any special meeting of the unit owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the unit owners and a notice of the holding of the annual meeting of Unit owners.

Section 9. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense of the Condominium.

Section 10. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to all of the duties of the Board listed in this Article.

Section 11. 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 such contracts 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 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 there under as his interest in the common elements bears to the interests of all 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 agents for the Unit Owners and shall have no personal liability there under (except as unit owners), and that each unit owner's liability there under shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interest of all unit owners in the common elements. The indemnification

liability of the unit owner shall be several and not joint and several.

ARTICLE IV OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be either members of the Board of Managers or Unit Owners. Two or more offices may not be held by the same person.

Section 2. Election. The Board of Managers, at its first meeting after each annual meeting of Unit owners, shall elect a President, a Vice President, a Secretary, and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Offices. The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold offices for the term to which they are elected and appointed and until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and the Board of Managers, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. The 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 and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Unit Owners and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of Unit Owners and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books

belonging to the Condominium including the vouchers for such disbursements and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

He or she shall disburse the funds of the Condominium as he or she may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He or she shall keep detailed financial records and books of accounts of the Condominium, including a separate account for each Member, which, among other things, shall contain the amount of each assessment, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President, or such other person as may be designated by the Board of Managers.

ARTICLE V UNIT OWNERS

Section 1. (a) Within 30 days after (i) the Sponsor's conveyance of title to all units or (ii) the first anniversary of the date of the first unit closing, whichever shall first occur, the Sponsor shall call the first meeting of unit owners for the election by all unit owners (including Sponsor) of a three (3) member Board of Managers.

(b) Annual meetings of unit owners shall be held March 30th each year beginning in the year following the first meeting of unit owners held pursuant to Section 1(a) unless another date is chosen by the Board of Managers.

(c) So long as the Sponsor of the Condominium or its designee shall continue to own at least one unit, the Sponsor or its designee shall have the right to elect one of the three (3) members of the Board of Managers. Members of the Board of Managers elected by the Sponsor, or its designee shall serve a term of one year. All other members of the Board of Managers shall be elected by the Unit owners. The Unit owners may transact such other business at such meetings as they may properly come before them.

(d) Notwithstanding any other provision of this Article V or any other provision of these By-Laws to the contrary, Sponsor shall have the right to vote as to all units owned by it until Sponsor closed title to all units owned by it. Furthermore, Sponsor shall hold a majority of seats on the Board until the earlier of (i) two (2) years from the date of the first unit closing, or (ii) the date Sponsor shall own 25% or less of the units.

Section 2. Meetings of the Unit owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit owners as may be designated by the Board of Managers.

Section 3. It shall be the duty of the president to call a special meeting of the Unit owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 100% in common interest, in the aggregate, of Unit owners. The notice of special meeting shall state

the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting of the unit owners, at least ten days but not more than twenty days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at the building or at such other address as such unit owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty (30) days prior to such meeting. The mailing of a notice of meeting in the manner provided for in this section shall be considered service of notice.

Section 5. If any meeting of Unit owners cannot be held because a quorum has not attended, a majority in common interest of the Unit owners who are present at such meetings, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. The order of business at all meetings of the unit owners shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting
- (c) Reading of Minutes of preceding meeting
- (d) Reports of Officers
- (e) Report of Board of Managers
- (f) Reports of Committees
- (g) Election of inspectors of election
- (h) Election of Board of Managers (when so required)
- (i) Unfinished business
- (j) New Business

Section 7. Title to Units may be taken in the name of an individual or in the name of two 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 in the name of a fiduciary.

ARTICLE VI NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers or to any Manager or Unit Owners, 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 letterbox in a postpaid sealed wrapper, addressed to the Board of Managers, such Manager or owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII OPERATION OF THE PROPERTY

Section 1. The Board of Managers shall, from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of common charges payable by the unit owners to meet the common expenses of the Condominium, and allocate and assess such common charges and expenses among the unit owners according to their respective common interests. 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.

The common expenses 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 for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has chosen to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale.

A separate fund for future capital repairs and improvements shall be established. It will be funded yearly at 10% of the budget for that year. These funds shall be maintained in an account separately and apart from the yearly expenses. These funds shall not be used for normal yearly repair and maintenance.

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 such budget on which the common charges and expenses are based to all unit owners. Until the Sponsor has conveyed title to all the units to purchasers, the Board of Managers can reduce the amount of common charges allocated to the units and payable by unit owners (including the Sponsor or its designee as owners of any unsold units) provided that so long as the Sponsor or its designee controls the Board of Managers the common charges will not be reduced below the amount necessary to operate the Property with the services to be provided as set forth in the Plan of Condominium Ownership.

Section 2. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (i) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the building (including all of the units and the bathroom and kitchen fixtures installed therein on the date of recordation of the Declaration, partitions, flooring and ceilings within the units, but not including furniture, furnishings or other personal property provided or installed by unit owners), together with all service machinery contained therein and 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 Building (exclusive of excavation and foundations), without deduction for depreciation; each of said policies shall contain a New York Standard mortgagees clause in favor of each mortgagee of a unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (ii) public liability insurance; (iii) water damage legal liability insurance; (iv) rent insurance in an amount equal to the aggregate common charges and expenses payable to the Board of managers; and (v) such other insurance as the Board of Managers may determine.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based upon co-insurance or a pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of units.

Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to the expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the units and all of the common elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be affected pursuant to this section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year.

While the sponsor controls the board of managers, the insurance coverage cannot be less than what is required by Part 20 of Title 13 NYCRR.

Unit owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by

reason of any additional insurance carried by any unit owner.

Section 3. in event of damage to or destruction of the Building as a result of fire or other casualty (unless such damage or destruction shall give a unit owner or lienor a right of partition as provided by Article 9-B of the Real Property Law of the State of New York), the Board of Managers shall arrange for the prompt repair and restoration of the building (including any damaged units, and any kitchen or bathroom fixtures installed therein on the date of the recording of the Declaration, partitions, flooring and ceilings within the units but not including any wall ceiling, or floor decorations or coverings or other furniture, furnishings fixtures or equipment installed by unit owners in the units), and the Board of Managers shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration, more than the insurance proceeds, shall constitute a common expense and the Board of Managers may assess all the unit owners for such deficit as part of the common charges.

If, as a result of the damage to or destruction of the Building, by fire or other casualty, the Property becomes subject to an action for partition at the suit of any unit owner or lienor as if owned in common, in accordance with the provisions of Article 9-8 of the Real Property Law of the State of New York, the property will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers among all the unit owners in proportion to their respective common interests, after first paying out of the share of each unit owner the amount of unpaid liens on his unit, in the order of the priority of such liens.

Section 4. All unit owners shall be obliged to pay the common charges assessed by the Board of Managers pursuant to the provisions of this Article 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 after a sale, transfer or other conveyance by him (made in accordance with the provisions of Article IX of these By-Laws) of such unit, together with the appurtenant interests.

In addition, any unit owner may, subject to the terms and conditions specified by these By-Laws, provided that his unit is free and clear of liens and encumbrances other than a permissible mortgage and the statutory lien for unpaid common charges, convey his unit, together with the appurtenant interests to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from common charges thereafter assessed.

A purchaser of a unit shall be liable for the payment of common charges assessed against such unit prior to the acquisition by him of such unit, except that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for and such unit shall not be subject to a lien for the payment of common charges assessed prior to the foreclosure sale.

Section 5. The Board of Managers shall assess common charges against the unit owners from time to time and at least annually and shall take prompt action to collect any common charges due from any unit owner which remain unpaid for more than 30 days from the due date for payment thereof.

Section 6. In the event of default by any unit owner in paying to the Board of Managers the common charges as determined by the Board of Managers, such unit owner shall be obligated to pay interest at the legal maximum rate on such common charges 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. The Board of Managers shall have the right and duty to attempt to recover such common charges, 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.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Real Property Law on the Units in which the Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

Section 7. 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 to 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 the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (except that such votes shall not be cast by the Board of Managers for the election of any members of the Board of Managers), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintained without foreclosing or waiving the lien securing the same.

Section 8. 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 9. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Laws contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws: (a) 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, and the Board of Managers shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 10. All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damage to any and all other units and/or to the common elements, that his failure to maintain or repair may engender.

All maintenance, repairs, and replacements to the common elements, whether located inside or outside of the units, shall be charged directly to the unit owners, except as the Board of Managers shall otherwise determine.

Section 11. All maintenance, repairs and replacements to the Limited Common Elements as well as a Unit's plumbing, heating, electrical and air conditioning system and the hot water heater servicing a unit shall be made by the unit owner at the unit owner's expense.

Section 12. 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 provisions:

(a) The Units shall be used by Unit owners (other than the Sponsor) for residences only and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns a unit, it shall have the right to use such unit for general and sales office purposes and as a sales model. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the unit owner or lessee (or if the unit owner is a partnership, a corporation or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family may occupy a unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children, and grandchildren.

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

(c) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental 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 complied with, 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.

(d) No portion of a Unit (other than the entire unit) may be rented, and no transient or AIRBNB tenants may be accommodated therein.

(e) Rules and regulations concerning the use of the units may be promulgated and amended from time to time by the Board of Managers provided that copies of such rules and regulations are furnished to each unit owner no less than 5 days prior to the time that they become effective.

Section 13. Whenever, in the judgment of the Board of Managers the common elements shall require additions, alterations or improvements costing more than \$1,000, and the making of such additions, alterations or improvements shall have been approved by 66 2/3% of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, and by the representative or representatives, if any, appointed pursuant to Section 5 of Article VIII hereof by the holders of mortgages constituting first liens upon units, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations or improvements costing \$1,000 or less may be made by the Board of Managers without approval of the unit owners, or the representative or representatives, if any, of mortgagees of units and the cost thereof shall constitute part of the common expenses.

Section 14. No unit owner shall make any structural addition, alteration or improvement in or to his unit and/or his limited common element (yard, parking space), without the prior written consent thereto of the Board of Managers. The Board of Managers shall have an obligation to answer 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 consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any governmental authority having or asserting jurisdiction 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, material man, architect or engineer on account of such addition, alteration, or improvement, or to any person who has any claim for injury to person or damage to property arising there from. The provisions of section 14 shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to a purchaser thereof.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit provided, However, that neither the Board of Managers nor the unit owners other than the Sponsor or its designee shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Section 15. (a) A unit owner shall not place or cause to be placed in the common areas or common facilities, other than the areas designated as storage areas, any furniture, packages or objects of any kind.

(b) The common elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. No unit owner shall make any addition, alteration, improvement or change in or to any common element without the prior written consent of the Board of Managers.

(c) While the Sponsor or its designee owns any unit, it shall have the right to maintain general and sales offices on or about the Property, to have its employees present on the Property, to use the common

elements and to do all things necessary and appropriate to sell units, to complete construction of the Building and to comply with its obligations under the Plan of Condominium Ownership, including but without being limited to, the right to erect and maintain signs on the common elements. Sponsor shall be obligated to repair and maintain the portions of the Property used by it for such purposes so long as such use by the Sponsor shall continue.

Section 16. A unit owner shall grant a right of access to his unit to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager of 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 the 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, or to correct any condition which violates the provisions of any mortgage covering another unit, providing that requests for entry are made at least 48 hours in advance and that any such entry is at a time reasonably convenient to the unit owner and further provided that such right shall be exercised in such manner as will no unreasonable interfere with the use of the units for residential purposes. In case of an emergency, such right of entry shall be immediately, whether the unit owner is present at the time or not.

Section 17. Rules and regulations concerning the use of the units and the common elements may be promulgated and amended by the Board of Managers. Copies 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 18. Electricity and natural gas shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each unit owner shall be required to pay the bills for electricity and natural gas consumed or used in his unit directly to the utility company. Likewise, each unit owner shall be required to pay water meter bills for water consumed or used in his unit directly to the water agency.

The cost of electricity for the public spaces outside the units, if any, including but not limited to the hallways and walkways, as measured by one or more building meters, will be borne by the unit owners and will be included in the common charges. N/A.

Section 19. The condominium offering plan allows the sponsors and purchasers to rent the units. Therefore, there might be a few Unit owners who do not occupy their dwelling units. The provisions of Real Property Law Section 339-kk apply in such circumstances.

ARTICLE VIII MORTGAGES

Section 1. 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 conformed 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. The Board of Managers, whenever requested in writing by a mortgagee of a unit, shall promptly report any unpaid common charges due from, or any other default by, the owner of the mortgaged Unit.

Section 3. The Board of Managers, when giving notice to a unit owner of a default in paying common charges or other default, shall, if requested by the mortgage holder, send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Managers.

Section 4. 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, but not more than once a month.

Section 5. The holders of mortgages constituting first liens on the units may, at their election, appoint one or more (but not more than three) representatives who shall be empowered to act on behalf of all mortgagees (first or subordinate) with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. If such representative or representatives are appointed and written notice thereof given to the Board of Managers the act of such representative or representatives shall be deemed binding upon the holders of all mortgages which are liens on units_ if no such representative shall be appointed or written notice of the appointment shall not be given to the Board of Managers then notwithstanding any other provision of the Declaration of these By-Laws, the consent of mortgagees shall not be required to any act of the Board of Managers or the unit owners.

Section 6. Mortgagees and guarantors of the mortgage on any unit in the condominium project will, if requested, receive timely written notice of the following:

- a. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing the mortgage.
- b. Any 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 condominium association.
- d. Any proposed action that requires the consent of a specified percentage of mortgagees.

ARTICLE IX

Sales, Leases and Mortgages of Units

Section 1. (a) No unit owner may sell his unit or any interest therein except by complying with the following provisions:

Any unit owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the sale of his unit together with: (i) the undivided interest in the common elements appurtenant hereto; (ii) the interest of such unit owner in any units theretofore acquired by the Board of Managers, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the Condominium (hereinafter called the "Appurtenant Interests"), which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, and other information as the Board of Managers may reasonably require.

Such deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and regulations as the same may be amended from time to time.

(b) No unit owner may lease his unit except by complying with the following provisions:

Any unit owner who receives a bona fide offer for a lease of his unit which he intends to accept shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, references and such other information as the Board of Managers may reasonably require.

Any such lease shall be consistent with these By-Laws.

The Board of Managers shall have the right to terminate the lease on not less than 30 days' prior written notice upon the foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. Except as set forth hereinabove, the form of any such lease shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers.

Any purported lease of a unit in violation of this section shall be voidable at the election of the Board of Managers and if the Board should so elect, the unit owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant in the name of the said unit owner as the purported landlord.

Any purported sale of a unit in violation of this Section shall be voidable at the election of the Board of Managers.

Section 2. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interest, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any unit may be sold, transferred, or otherwise disposed of, except as part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all units.

Section 3. Any unit owner shall be free to convey or transfer his unit by gift, or to devise his unit by will, or to pass the same by intestacy, without restriction.

Section 4. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Board of Managers all unpaid common charges and expenses theretofore assessed by the Board of Managers against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages.

Section 5. Each unit owner shall have the right to mortgage his unit without restriction provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be necessary to permit a particular bank, trust company, insurance company, savings and loan association or other institutional lender to make the mortgage loan.

Section 6. This article IX of the By-laws shall not apply to sales or rentals made by the Sponsor. The Board of Managers shall not have any control over the sale, rental or other disposition of Sponsor-owned Units.

ARTICLE X

Condemnation

In the event of a taking in condemnation or by eminent domain of part or all of the common elements, the award made by such taking shall be payable to the Board of Managers. If 75% or more in number and common interest of the Unit owners duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall arrange for the repair and restoration of such common elements, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments.

If 75% or more in number and common interest of the Unit owners do not duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds when there is no repair or restoration of the damage as provided by these By-Laws.

Notwithstanding the above, any action to terminate the legal status of the project after substantial destruction or condemnation occurs or for any other reason, mortgagees that represent at least 51% of the votes of the unit estate that are subject to mortgages must agree to such action being taken.

No provision of the condominium project documents gives a unit owner or any other party priority over any rights of the first mortgagee of the condo unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condo units and/or common elements.

ARTICLE XI Records

The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of meetings of the Board of Managers, minutes of the meetings of unit owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account of each unit, which among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Condominium prepared or reviewed by an independent certified public accountant shall be rendered by the Board of Managers to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year and no later than March 31 of the subsequent year. The cost of such report shall be paid by the Board of Managers as a common expense.

ARTICLE XII AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of unit owners, provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of seventy five percent (75%) of the Unit owners in number and common interest; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the unit owners' interests and the interests of holders of a mortgage encumbering a unit or Units.

Implied approval of a mortgagee is assumed when a mortgagee of a unit fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

The provisions of the By-Laws affecting the Sponsor and the Sponsors rights may not be amended without the consent in writing of the Sponsor or, its designee so long as the Sponsor or its designee shall be the owner of one (1) or more Units.

ARTICLE XIII GENERAL PROVISIONS

Section 1. All notices hereunder shall be sent by registered or certified mail to the Board of Managers do the Managing agent, or if there is no managing agent, to the office of the Board of Managers or to such other addresses as the Board of Managers may hereafter designate from time to time, by notice in writing to all unit owners and to all mortgagees of units.

All notices to unit owners shall be sent by registered or certified mail to the Building or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers.

All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed, be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-law's conflict with the provisions of the Statute or the Declaration, the provision of the Statute or of the Declaration, whichever the case may be, shall control.

SECTION G

TAX ESCROW AGREEMENT

AGREEMENT made as of this 9th day of April, 2025
by and between Wallace Avenue Builders, LLC, (hereinafter
"Sponsor"), and THE BOARD OF MANAGERS OF THE Forest Hill West
Condominium (hereinafter "The Board");

WITNESSETH:

WHEREAS, Sponsor for the conversion to condominium ownership
of the land and building(s) located at 1370 & 1372 Forest Hill
Road, Staten Island, NY 10314; 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, Sponsor desires to secure its 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, Sponsor
will deposit in escrow with The Board in a special
segregated escrow account to be maintained by The Board
in their own name, an amount equal to any unpaid 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.

Page "2"

4. Upon each subsequent closing of the units, the Sponsor 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 such belong to the Sponsor.
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.

SPONSOR:

WALLACE AVENUE BUILDERS, LLC

By: Randy Franza
Randy Franza, Member

THE BOARD OF MANAGERS OF
FOREST HILL WEST CONDOMINIUM

By: Randy Franza

SECTION H

NEW WARRANTY LAW

General Business Law Article 36-B

WARRANTIES ON SALES OF NEW HOMES

Section 777. Definitions

777-a. Housing Merchant Implied Warranty

778-b. Exclusion or Modification of Warranties

Section 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.
2. "Building Code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.
3. "Constructed in a skillful manner" means that workmanship and use of 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 use of materials meet or exceed the standards of locally accepted building practice.
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 which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. In the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. In the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. In the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

Section 777-a. Housing Merchant Implied Warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. One year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. Two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such system 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 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 the 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. An 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 such 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.

SECTION I

**CERTIFICATION OF SPONSOR PURSUANT TO SECTION 20.4(B) OF THE
REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS
AMENDED.**

New York State Department of Law
28 Liberty Street
New York, New York 10005
Attn: Real Estate Finance Bureau

RE: Forest Hill West Condominium

The undersigned, Wallace Avenue Builders, LLC and Randy Franza, hereby certify as follows:

We are the sponsor and principals of the sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20, and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan, will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

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

SPONSOR:

WALLACE AVENUE BUILDERS, LLC

By: Randy Franza
Randy Franza, Member

Sworn to before me this 9TH
day of APRIL, 20 25

Michael Schaeffer
NOTARY PUBLIC

MICHAEL SCHAEFFER
Notary Public, State of New York
No. 01SC6100437
Qualified in Richmond County
Commission Expires Oct. 20, 20 27

PRINCIPAL(S):

Randy Franza
Randy Franza

Sworn to before me this 9TH
day of APRIL, 20 25

Michael Schaeffer
NOTARY PUBLIC

MICHAEL SCHAEFFER
Notary Public, State of New York
No. 01SC6100437
Qualified in Richmond County
Commission Expires Oct. 20, 20 27



JOSEPH M. MORACE, A.I.A., ARCHITECT
3195 RICHMOND ROAD, STATEN ISLAND, NY 10306

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WWW.MORACEARCHITECTS.COM
JOSEPH.MORACEARCHITECTS@VERIZON.NET

CERTIFICATION BY SPONSOR'S ARCHITECT
PURSUANT TO 13 NYCRR 20.4(c)

July 28, 2025

State of New York
Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005

Re: Forest Hill West Condominium
Wallace Avenue Builders, LLC ("Sponsor")
1370 & 1372 Forest Hill Road, Staten Island, New York 10314

Gentlemen:

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership retained my firm to prepare a report describing the construction and/ or renovation of the property (the "Report"). I visually inspected existing portions of the property on June 15, 2023, and examined the building plans and specifications that were prepared by Joseph Morace, R.A. dated rev. January 27, 2025 and prepared the Report dated July 28, 2025, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

I am a registered Architect 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 renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction provided that such renovation and/or construction is in accordance with plans and specifications that I have 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 the Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of physical condition of the property.

Very truly yours,



Joseph Morace, R.A.

MICHAEL SCHAEFFER
 Notary Public, State of New York
 No. 01SC6100437
 Qualified in Richmond County
 Commission Expires October 20, 2027

July 28, 2025



FOREST HILL WEST CONDOMINIUM

Certification

STATE OF NEW YORK)
COUNTY OF RICHMOND) SS:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to review or prepare the Schedules B and B-1 containing projections of income and expenses for the first year of condominium operation. Dome Property Management is a licensed Real Estate Broker in the State of New York. Our experience in this field includes in excess of 100 Cooperatives, Condominiums, Homeowners Associations, Rentals and Commercial Properties in the metropolitan area. Dome's management experience since 1987 includes retaining contractors for the repair and improvement of the property, retaining landscape contractors and all other necessary contractors required to preserve and maintain property.

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 Schedules B and 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 projection to be in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

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

We further certify that we are not owned or controlled by 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 guaranty or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DOME PROPERTY MANAGEMENT, INC.

by: Michael J. Motelson, President

State of New York)
County of Richmond)

Sworn to before on April 1, 2025

Danielle R. Taddeo
Notary

Danielle R. Taddeo
Notary Public State of New York
No. 01TA6268211
Qualified in Richmond County
Commission Expires September 4, 2028

