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

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92nd Street,
Brooklyn, Kings County, New York 11209

4 Residential Condominium Units	**$5,096,000**
4 Parking Space Condominium Units	**$ 200,000**
TOTAL OFFERING	**$5,296,000**

SPONSOR AND SELLING AGENT
368 DEV LLC
7909 10TH AVENUE,
BROOKLYN, NEW YORK 11228

SPONSOR'S ATTORNEY
ROSEN LAW LLC
216 LAKEVILLE ROAD
GREAT NECK, NEW YORK 11020

DATE OF ACCEPTANCE FOR FILING IS November **, 2025. THE OFFERING PLAN MAY NOT BE USED AFTER** November **, 2026 UNLESS EXTENDED BY AMENDMENT.**

FILE NUMBER CD-25-0159

THIS PLAN CONTAINS SPECIAL RISKS. SEE PAGE V FOR SPECIAL RISKS TO PURCHASERS.

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

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

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

PART I

TABLE OF CONTENTS

SPECIAL RISKS ..... **V**

A. DEFINITIONS OF TERMS USED IN THIS OFFERING PLAN **1**

B. INTRODUCTION **7**

C. DESCRIPTION OF PROPERTY AND IMPROVEMENTS **14**

D. LOCATION AND AREA INFORMATION **20**

E. OFFERING PRICES OF UNITS AND RELATED INFORMATION **22**

SCHEDULE A **22**

FOOTNOTES TO SCHEDULE A **23**

F. BUDGET FOR FIRST YEAR OF OPERATION **29**

SCHEDULE B **29**

FOOTNOTES TO SCHEDULE B **30**

G. BUDGET FOR INDIVIDUAL ENERGY COSTS - SCHEDULE B-1 ..... **40**

H. COMPLIANCE WITH REAL PROPERTY LAW § 339-I **42**

H-1. PARKING SPACE CONDOMINIUM UNITS **45**

I. CHANGES IN PRICES AND UNITS **46**

J. INTERIM LEASES **48**

K. PROCEDURE TO PURCHASE **49**

L. FINANCING FOR QUALIFIED PURCHASERS **59**

M. ASSIGNMENT OF PURCHASE AGREEMENT. **60**

N. EFFECTIVE DATE OF THE PLAN 61

O. TERMS OF SALE 63

P. UNIT CLOSING COSTS AND ADJUSTMENTS 68

Q. RIGHTS AND OBLIGATIONS OF THE SPONSOR 74

R. CONTROL BY SPONSOR 81

S. BOARD OF MANAGERS 84

T. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS 87

U. REAL ESTATE TAXES 94

V. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM 98

W-1. OPINION OF COUNSEL – INCOME TAX OPINION LETTER 100

W-2. OPINION OF COUNSEL – REAL ESTATE TAX OPINION LETTER 104

X. RESERVE FUND 107

Y. WORKING CAPITAL FUND 109

Z. MANAGEMENT, AGREEMENTS, CONTRACTS AND LEASES 111

AA. IDENTITY OF PARTIES 114

BB. REPORTS TO THE UNIT OWNERS 117

CC. DOCUMENTS ON FILE 118

DD. GENERAL 119

EE. SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION 121

PART II 122

FF. PURCHASE AGREEMENT 123

GG. UNIT POWER OF ATTORNEY 155

HH. FORM OF UNIT DEED 159

II. DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION 165

JJ. HOUSING MERCHANT LIMITED WARRANTY 224

KK. NOTICE OF WARRANTY CLAIM FORM 235

LL. DECLARATION OF CONDOMINIUM 295

MM. CONDOMINIUM BY-LAWS 317

NN. CERTIFICATIONS 352

NN-1. CERTIFICATION BY SPONSOR AND PRINCIPAL OF SPONSOR 352

NN-2. CERTIFICATION BY ARCHITECT OR ENGINEER PURSUANT TO 13 NYCRR 20.4(C) (1) 354

NN-3 CERTIFICATION BY SPONSOR'S EXPERT CONCERNING THE OF ADEQUACY OF BUDGET 356

OO. ESCROW AGREEMENT 359

PP. FORM OF CONDOMINIUM INTERIM LEASE 364

SPECIAL RISKS

1. ACCESS TO MECHANICAL ROOMS AND ELECTRICAL ROOMS

The cellars in each of the two buildings each contain a mechanical room and electrical room. The mechanical room and electrical room in the cellars are common element.

The building with the address of 368 92nd Street, contains the mechanical room and electrical room which service Unit 1A and Unit 2A. Unit 1A contains the mechanical room and electrical room in the building with the address of 368 92nd Street. The owner of Unit 2A or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2A has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 368 92nd Street. The owner of Unit 2A will have a key to the door to enter into the cellar. The owner of Unit 2A has full unfettered access to enter into Unit 1A through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2A is permitted to access the mechanical room and electrical room as required.

The building with the address of 372 92nd Street, contains the mechanical room and electrical room which service Unit 1B and Unit 2B. Unit 1B contains the mechanical room and electrical room in the building with the address of 372 92nd Street. The owner of Unit 2B or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2B has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 372 92nd Street. The owner of Unit 2B will have a key to the door to enter into the cellar. The owner of Unit 2B has full unfettered access to enter into Unit 1B through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2B is permitted to access the mechanical room and electrical room as required.

2. SPONSOR'S RIGHT TO LEASE UNITS

After consummation of the offering plan, Sponsor is reserving the unconditional right to rent after consummation rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) (one (1) Residential Unit) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. A purchaser acquiring a residential unit that has been previously occupied (if a residential unit has been rented by the Sponsor after consummation of the offering plan) will be purchasing the residential unit subject to reasonable wear and tear.

Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. The Sponsor has the right to control the Board of Managers of the Condominium, by maintaining a majority of the Members of the Board of Managers of the Condominium, until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. **(See Part I, Section "B(6)(vi)").**

Sponsor has obtained an acquisition loan to purchase and renovate the property. The acquisition loan will be satisfied and paid off in full at or prior to the first closing. After the recording of the Declaration and before the closing of title to the first Unit, the mortgages encumbering the property will be satisfied and paid off. Before the closing of title to the first Unit, all liens and mortgages affecting the Condominium will be paid and satisfied. There are no bank requirements for Sponsor to market the units for sale and there is no minimum number or percentage of units which must be under contract before the plan can be declared effective. There are no minimum release prices and a required minimum payment per sale which must be made to Sponsor's lender, as there is no lender. There are no limits or requirements imposed by any lender to rent rather than sell under specified market conditions. Sponsor has not obtained construction financing for this Condominium. If Sponsor obtains construction financing, Sponsor will file an amendment to the Plan disclosing the terms of any construction loan as such terms apply to the Sponsor's obligation

to market the units for sale, including any minimum number or percentage of units which must be under contract before the Plan can be declared effective, the existence of either a minimum release price set by the lender or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold, and limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified market conditions. **(See Part I, Section "B(3)" and See Part I, Section "Q(21)").**

3. NO 421-A TAX EXEMPTION FOR THIS CONDOMINIUM.

There is no tax exemption under Section 421-a of the Real Property Tax Law ("421-a") or any other tax abatement or tax exemption program for this Condominium **(See Part I, Section "U")**.

4. SPONSOR CONTROL

The Sponsor has the right to control the Board of Managers of the Condominium, by maintaining a majority of the Members of the Board of Managers of the Condominium, until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first (the "Sponsor Control Period"), the Sponsor shall appoint all three (3) members to the Board of Managers. After the end of the Sponsor Control Period, Sponsor will refrain from exercising any voting control it may have and not vote for Sponsor affiliates to hold the two (2) board members to be elected by Unit Owners. A meeting and election of the Board of Managers will be held within thirty (30) days from the end of the Sponsor Control Period.

The first annual meeting of the Unit Owners shall be held no later than the first anniversary of the first closing (whether or not Unit Owners are entitled to vote for a new Board at such time). The Sponsor is entitled to designate all members of the board during the Sponsor Control Period. After the end of the Sponsor Control Period, if Sponsor owns at least one (1) Residential Unit, Sponsor shall be entitled to designate one (1) of the three (3) board members and the Unit Owners shall vote and elect two (2) board members. Non-Sponsor affiliated Unit Owners will not have any representation on the Board of Managers during the Sponsor Control Period. Sponsor may control the Board of Managers for up to three years from the first closing.

Control of the Condominium Board of Managers will terminate upon the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. At the meeting to elect members of the Board of Managers, a three (3) member Board of Managers shall be elected by the Unit Owners, unless Sponsor owns at least one unit, in such event, Sponsor shall appoint one (1) member of the Board of Managers at all times and years that Sponsor owns at least one Condominium Unit and an election shall be held for two (2) members of the Board of Managers. A majority of the Board of Managers need not be owner occupants or members of an owner occupant's household who are unrelated to the Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Until such time as the Sponsor relinquishes control of the Board of Managers, the Board of Managers may not, without the prior written consent of the Sponsor or its designees, (i) make any addition, alteration or improvement to the Common Elements, Limited Common Elements or to any Unit or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B to the extent that the aggregate amount of such fund does not exceed 5% of the budget expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law) to the extent that existing reserves are insufficient or (iv) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or its designees. The Sponsor shall have the right to withhold its consent to any of the foregoing actions, except Sponsor may not withhold its consent to any action which affects the health and safety of the occupants of the building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the previous sentence for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever is sooner.

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., AS A HOME AS OPPOSED TO AN INVESTMENT. **(SEE PART I, SECTION "R"). (See Part I, Section "R").**

5. INSURING OF THE CONDOMINIUM BUILDING.

Prior to the first closing, the entire building will be insured by the Sponsor. After the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. Thus, the risk of loss cannot, as a practical matter, be passed on to a person in possession. A person who takes possession prior to closing assumes the risk of losses not covered by insurance. It is recommended that an interim lessee confer with an insurance advisor. **(See Part I, Section "J").**

6. PURCHASE AGREEMENT WAIVES RIGHT TO JURY TRIAL IN ANY ACTION ARISING OUT OF THE PURCHASE AGREEMENT.

The Purchase Agreement includes a provision that waives the right to a jury trial in any action arising out of the Purchase Agreement **(See Part II, Section "FF").**

7. DISPUTES BETWEEN UNIT OWNER AND BOARD OF MANAGERS MUST BE RESOLVED THROUGH ARBITRATION.

Any dispute between the Unit Owner and the Board of Managers shall be resolved in Arbitration. Options for appeal are more limited for matters submitted to arbitration.

Any dispute between two or more Unit Owners with each other may be resolved in any court of law. The By-Laws provide that only disputes between a Unit Owner and the Board of Managers shall be resolved in Arbitration. Arbitration provided for in these By-Laws shall be conducted before one arbitrator in the City of New York by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the City of New York before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. All expenses of arbitration of the Condominium hereunder, including the fees and expenses of counsel and experts, shall be a General Common Expense. Any arbitrator appointed or selected in connection with the arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least three members **(See Part I, Section "B(6)(vi)" and See Part II, Section "MM" – Condominium By-Laws, Article X).**

8. OFFICERS AND DIRECTORS' INSURANCE NOT INCLUDED.

Directors' and officers' liability insurance will not be procured by the Sponsor and will not be effective at the closing of the Condominium and the filing of the Declaration. If the Board of Managers desires to obtain Directors and Officers Liability Insurance, it is anticipated that the cost will be approximately $750 per year. If the Board of Managers desires to obtain Directors' and officers' liability insurance, the cost for such insurance shall be borne by the Condominium. Directors' and officers' liability insurance would provide insurance coverage for any personal liability of the Board of Managers **(See Part I, Section "S").**

9. MAJORITY OF BOARD MEMBERS DO NOT HAVE TO BE OWNER OCCUPANTS.

After the initial Sponsor Control Period expires, the By-Laws do not require that the majority of the board consist of owner occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. **(See Part I, Section "B(6)(vi)").**

10. MATERIALS, WORKMANSHIP, ETC.

All Condominium Units and general and Limited Common Elements offered pursuant to this Offering Plan are sold subject to completion of the work specified in the Description of Property, Specifications and Building Condition. The Sponsor and its principals are obligated to obtain a Permanent Certificate of Occupancy for the condominium building. It is sponsor's responsibility to procure both a temporary certificate ***and*** a permanent certificate of occupancy. **(see Part I, Section "C"(4) and Part II, Section "II").**

11. WARRANTIES.

Because the building is less than five (5) stories, Article 36-b of the General Business Law, which pertains to warranties on the sale of certain new homes applies. General Business Law §777, the Housing Merchant Implied Warranty Law is applicable to Condominium Units in building which are five stories and less. Sponsor will furnish a Limited Warranty as set forth in this Offering Plan in lieu of the Housing Merchant Implied Warranty. **(See Part II, Section "JJ").**

Certain of the limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first buyer only; Sponsor's liability with regard to items set forth in the Limited Warranty only is limited to ten percent (10%) of the purchase price, exclusive of all options; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to the Sponsor, and for commencing a lawsuit against Sponsor. Despite the 10% limitation, the Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, cannot go below the duty to construct the premises in accordance with the plans and specifications identified in the offering plan. **(See Part II, Section "JJ").**

Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

No bond or other security has been posted to secure Sponsor's obligations under this Plan or to complete construction of the building or other obligations under the Plan including the obligation to pay common charges with respect to unsold Units. Sponsor has and will have the ability to fulfill its obligations under this Plan, including but not limited to complete construction of the building and the obligation to pay common charges with respect to unsold Units.

Sponsor's obligation cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes.

12. UNIT OWNERS REQUIRED TO PAY COMMON CHARGES FROM THE DATE OF THE FIRST CLOSING BUT SPONSOR RESERVES THE RIGHT TO DELAY THE COMMENCEMENT OF COMMON CHARGES.

Common charges are due from Unit Owners from the date of the first closing. However, Sponsor is reserving the right to delay the commencement of common charges. The Sponsor will be responsible for all of the required operating expenses of the Property prior to the date of the closing of title to the first Unit pursuant to the Plan until Sponsor elects to commence the collection of common charges. The Condominium shall be required to pay all of the operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan unless Sponsor elects to delay the collection of common charges. Sponsor may continue to pay all of the operating expenses for the Condominium until such time as Sponsor elects to commence the collection of common charges from the Unit Owners.

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there

will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget and furnish annual certified financial statements for the Condominium as required by Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice of statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers. Sponsor will provide certified financial statements for the condominium during the delay in the collection of common charges if condominium operation has commenced. (**See Part I, Section "Y"**)

13. CLOSING DATE AND ADJOURNMENTS AND PURCHASE AGREEMENT MAY BE MADE TIME OF THE ESSENCE.

The Sponsor may elect to make the Purchase Agreement and its terms to be "time is of the essence". Purchaser may adjourn the closing date which is set forth in the Purchase Agreement one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may forfeit his or her Down Payment. In the event Purchaser fails to close title on the designated date and Purchaser seeks a 15 day adjournment which shall be time of the essence, then (a) Purchaser shall Pay Sponsor interest at the rate of 10.95% per annum on the entire amount of the purchase price computed from the original Closing Date until this transaction is actually closed and (b) all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date. Any penalty charged will not exceed New York State usury limits. Purchasers will be required to pay an additional fee of $500.00 to Sponsor's closing attorneys if Purchaser does not close title to his or her Unit on the date stated in the Notice of Closing because such Purchaser has not complied with the terms of the executed Purchase Agreement, or if the Purchaser's lender requires the closing to be at a place other than that indicated in the Notice of Closing. Sponsor must provide a Purchaser with a written demand for payment after default at least 30 days before forfeiture of the Down Payment may be declared. **(See Part I, Section "K(11)")**

After the plan has been declared effective the Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on each purchaser stating the date of the first closing and setting such purchaser's closing date. Such notice will be sent to purchasers at least thirty (30) days before the date set for the closing of the units. A Purchaser may waive this thirty (30) day provision by providing a written notice to Sponsor that Purchaser waives the thirty (30) day notice provision.

Purchaser shall be required to pay a $500.00 survey to Sponsor at closing to reimburse the Sponsor for obtaining a survey for the completed condominium buildings **(see Part I, Section "P"(iii)).**

In the event that Purchaser does not close on the adjourned date, Purchaser may forfeit his or her Down Payment. Sponsor must make written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared. 13 NYCRR 20.3(o)(13). In the event Purchaser fails to close title on the designated date all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default. **(see Part I, Section "P"(ix)).**

14. CONTRIBUTIONS TO WORKING CAPITAL FUND

At the time of closing, each Purchaser will be required to pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time which shall be paid into the Working Capital Fund of the Condominium. While the Sponsor controls the Board of Managers, the Working Capital Fund may not be used by the Sponsor controlled Board of Managers to reduce projected or future common charges. **(see Part I, Sections "P" and "Y").**

15. PRIOR TO THE ISSUANCE OF THE PERMANENT CERTIFICATE OF OCCUPANCY, PURCHASERS MAY NOT MAKE ANY STRUCTURAL CHANGES TO THE CONDOMINIUM UNIT WITHOUT THE PRIOR WRITTEN CONSENT OF SPONSOR.

At the Closing of title the Sponsor will deliver the usual certificates available and it is further agreed that title will not close until either a temporary or permanent certificate of occupancy has been issued covering the building in which the Unit is located. Prior to issuance of a permanent certificate of occupancy no structural changes shall be made to either the interior or exterior of Purchaser's Unit without prior written consent from the Sponsor. If any changes are made, by the Unit Owner and permanent certificate of occupancy cannot be issued because of such changes, the Sponsor shall make such alterations to the structure to meet the building department requirements at full cost to the Purchaser, and the Purchaser shall further be liable to the Sponsor for any escrow monies held for the procurement of the permanent certificate of occupancy. If any changes are made without prior consent from the Sponsor, the Purchaser causing delays and extra work will be liable for the cost. However, it is still the obligation of the Sponsor and its principals to procure the certificates of occupancy. **(See Part I, Section "B"(7) and "C(4)").**

Prior to issuance of a final Certificate of Occupancy no structural changes shall be made to either the interior or exterior of Purchaser's Unit without prior written consent from the Sponsor. If any changes are made, by the Purchaser and final Certificate of Occupancy cannot be issued because of such changes, the Sponsor shall make such alterations to the structure to meet the building department requirements at full cost to the Purchaser, and the Purchaser shall further be liable to the Sponsor for any escrow monies held for the procurement of the final Certificate of Occupancy **(See Part I, Section "C(1)").**

16. CERTIFICATE OF OCCUPANCY

The closing of individual Units may occur prior to the Sponsor obtaining a permanent Certificate of Occupancy for the Building. If only a Temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy.

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a Temporary Certificate of Occupancy ("TCO") covering such units has been issued. Sponsor will send closing notices for units covered by TCO's and purchasers will be required to close with a TCO rather than with a permanent Certificate of Occupancy in place. TCO's are issued for three (3) months at a time.

The NYC Department of Buildings advises purchasers to houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent or permanent certificate of Occupancy. It is strongly recommended that buyers consult the "DOB Website / Consumer Tips" for its recommendation when buying units in a building that does not have a Permanent certificate of Occupancy.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year

period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. Furthermore, because Sponsor and the by-laws of the condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the FCO.

It is sponsor's responsibility to procure a temporary certificate and a permanent certificate of occupancy.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf".

Complete details regarding the issuance of the Certificate of Occupancy are discussed in this Offering Plan. Purchasers are advised to ascertain that sufficient money is held in escrow in order for the Sponsor to obtain a permanent certificate of occupancy **(See Part I, Section "C"(4)).**

If Sponsor obtains a temporary certificate of occupancy ("TCO") and wishes to close title with a TCO, Sponsor shall deposit a sum with Sponsor's counsel equal to the costs as certified by a registered architect, to obtain the Permanent Certificate of Occupancy **(See Part I, Section "C"(4)).**

Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.

17. NO GUARANTY AS TO WHEN CERTIFICATE OF OCCUPANCY WILL BE ISSUED OR DATE OF FIRST CLOSING.

The Sponsor anticipates that the first closing of a unit will occur by January 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than December 31, 2026, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor. **(See Part I, Section "F")**

However, if the first closing occurs before January 1, 2026, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

18. SPONSOR DECLARING PLAN EFFECTIVE

Pursuant to existing law and regulation, the Sponsor may declare the Condominium Plan effective with executed Purchase Agreements for a minimum of fifteen (15%) percent of the Residential Units in the building (which is one (1) Residential Unit (4 x 15%). Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. A minimum of one (1) Purchase Agreement for Residential Units must be entered into in order to declare the plan effective. Should the Purchaser who executed a Purchase Agreement counted towards effectiveness rescind their Purchase Agreement, then the Sponsor will have to re-declare effectiveness if the residential unit used to declare effectiveness does not close. **(see Part I, Section "N").**

19. LENDER INFORMATION REGARDING CONDOMINIUMS IN GENERAL

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

20. ESCROW OF PURCHASERS FUNDS

All funds received by the Sponsor for extras must initially be placed in an escrow account. However, Purchasers shall note as a special risk that such funds may be released from the escrow account by the escrow agent as long as the Sponsor use the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for extras unless the plan is not consummated **(see Part I, Section "FF").**

Down Payments are anticipated to be deposited by Sylvester J. Sichenze, Esq., ("Escrow Agent") with TD Bank, 8206 5th Avenue, Brooklyn, New York 11209 ("Escrow Bank"). All Down Payments will be placed initially in a non-interest bearing checking portion of the Sylvester Sichenze, Esq., Client Funds Account. Purchaser must deliver the applicable Form W-8 or Form W-9 executed by Purchaser or the designated interest-recipient, as applicable, together with the Purchase Agreement, Down Payment and the interest-recipient designation form, if applicable, before the Down Payment can be deposited into an interest-bearing sub-escrow savings account of the Sylvester Sichenze, Esq., Client Funds Account established pursuant to this Offering Plan. Subject to the conditions discussed in this paragraph, in accordance with regulations of the Federal Deposit Insurance Corporation ("FDIC"), and pursuant to the terms of the Dodd-Frank Wall Street Reform Act, as amended (the "Dodd-Frank Act"), as of the date of this Plan deposits at Escrow Bank in a Purchaser's name are anticipated to be covered by FDIC insurance to a maximum of $250,000.00. Purchasers are advised that while the Down Payment is in the non-interest bearing checking portion of the, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000, because the entire checking portion of the Sylvester Sichenze, Esq., Client Funds Account is only insured up to $250,000 and until the Purchaser's funds are transferred to a sub-account for the Purchaser, the Sylvester Sichenze, Esq., Client Funds Account may contain more than $250,000 in funds which may result in only a portion of the Purchaser's down payment being insured. Subject to the foregoing, Sponsor is advised that the FDIC advises consumers that for purpose of computing insurance coverage, all deposits in a party's name in a banking institution are added together and insured to a maximum of $250,000, in the aggregate. Accrued interest through the date of a financial institution's failure also is included when calculating insurance coverage. Thus, if a Purchaser already has or opens an account at Escrow Bank in the same name in which the Down Payment is deposited, and should the Escrow Bank fail and the FDIC insurance be called upon, the funds in that account will be aggregated with the Down Payment and insured to a maximum of $250,000. The FDIC further advises consumers that a depositor cannot increase FDIC insurance coverage by dividing funds owned in the same ownership category among different accounts in the same name. No representation is made by Escrow Agent or Sponsor regarding any further amendment of the Dodd-

Frank Act after the date of this Plan or that the FDIC will insure depositor's funds, if and when called upon to do so. Neither Escrow Agent nor Sponsor will incur any liability whatsoever under this Plan or otherwise if the FDIC, when and if called upon, fails or refuses to insure the Down Payment (or any other funds maintained by Purchaser in Escrow Bank) or if the FDIC insures only a portion thereof. **(See Part I, Section "K").**

In the event that the Plan is abandoned, unit upgrade funds will be returned to the Purchaser.

21. APPLIANCES

The Sponsor will provide an electric range, refrigerator, dishwasher and heating and air conditioning equipment in each Unit. One air conditioning unit will be furnished in each Unit. The Sponsor will not provide a clothes washer and clothes dryer in each condominium unit. Sponsor will provide a hook-up for a domestic, stackable type clothes washer and gas clothes dryer units in each condominium unit. It is the Sponsor's and principal's obligation to procure a Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy. **(See Part I, Section "C").**

22. PURCHASER PAYMENT OF TRANSFER TAXES

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

The additional transfer tax and new supplemental tax apply to all applicable transfers occurring after July 1, 2020. However, transfers made pursuant to a binding agreement entered into on or before April 1, 2019 (as confirmed by independent evidence such as a recording of the contract or payment of a deposit) and closing after July 1, 2020 will not be subject to the amended tax rates. Further information regarding the amended transfer tax and additional supplemental tax is available at the following web address: https://www.tax.ny.gov/pdf/memos/real_estate/m19-1r.pdf. Due to a change in the New York State Tax Law, Section 1404(a), as of July 1, 2021, the New York State Transfer Tax and Mansion Tax are no longer increased (not added to or not "grossed-up" by that amount) if a purchaser is paying the New York State Transfer Tax and Mansion Tax.

It must be noted that: (i) the additional transfer tax and new supplemental tax may increase the typical closing costs as disclosed in the offering plan, and (ii) purchasers are advised to consult with their attorney and/or a tax expert to determine the tax implications of their purchase.

Sponsor is transferring the obligation to pay transfer tax to Purchaser, which is statutorily the obligation of Seller.While the New York State and New York City Transfer Taxes are customarily paid for by the Seller in single family home transactions, the burden of paying such taxes may be modified by contract. As is common with many other Condominium developments in the State of New York, the Purchase Agreement for this Condominium provides that the Purchaser of a Condominium Unit will be required to pay the New York State and New York City Transfer Taxes at the Closing. The New York City Department of Finance takes the position that where the Purchaser pays the transfer taxes, the amount thereof will be added to the taxable consideration for determining the transfer taxes. Due to a change in the New York State Tax Law, Section 1404(a), as of July 1, 2021, the New York State Transfer Tax and Mansion Tax are no longer increased if a purchaser is paying the New York State Transfer Tax and Mansion Tax. The New York City Real Property Transfer Tax is increased if the Purchaser is paying the New York City Real Property Transfer Tax.

The Purchaser of each Residential Condominium Unit will be responsible for paying the following taxes and fees: The New York State Real Estate Transfer Tax, currently $4.00 for each one thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge; If applicable, the New York State

Additional Tax ("Mansion Tax") of 1% where the purchase price equals $1 million or more; and the New York City Transfer Tax which is currently 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example - $1,000.00 or 1,425.00 respectively per $100,000.00 of purchase price). Because the Purchaser, rather than the Sponsor is required to pay the New York City Real Property Transfer Tax ("NYC Transfer Tax"), the NYC Transfer Tax is deemed to be additional consideration and therefore, the price is considered to be 1.014 (for price under $500,000) or 1.01825 (for price of $500,000 and over) times the price of the Unit listed in Schedule A. Due to a change in the New York State Tax Law, Section 1404(a), as of July 1, 2021, the New York State Transfer Tax and Mansion Tax are no longer increased if a purchaser is paying the New York State Transfer Tax and Mansion Tax**.** The Amended Tax Law can be accessed at the following web address: https://www.nysenate.gov/legislation/laws/TAX/1404. The calculation of the "taxable basis" for RPT Tax (i.e. by adding RPT Tax, State Transfer Tax, and Sponsor Closing Fees to the Purchase Price) remain unchanged by virtue of the Amended Tax Law. **(See Part I, Section "P").**

23. SPONSOR'S LIABILITY LIMITATIONS

Pursuant to 13 NYCRR §20.3(t)(2), it is disclosed that the Sponsor has an obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Board of Managers and Unit Owners, 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 the Sponsor or as explicitly stated in this Plan.

Purchasers are advised to review Schedule B **(See "Part I, Section "F" - Budget for First Year of Operation")** of this Offering Plan with regard to the costs of insurance coverage and the limits of insurance coverage for the Condominium).

Sponsor and its principals will remain liable notwithstanding any 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. Notwithstanding the foregoing, the Sponsor will remain liable for failure to perform obligations under the Plan. The Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications; any conflict between the disclaimers and the sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. **(See Part I, Section "Q(4)")**.

Purchasers should note that if the any of the condominium units in the building are rented, other than through an Interim Lease, prior to the condominium being declared effective, then, in that event, the Sponsor will be required to abandon the offering plan and the building will be a rental building with tenants receiving all applicable protections of rent laws, such as rent stabilization laws if rent stabilization laws apply.

Sponsor intends to offer all units for sale. Sponsor will endeavor in good faith to sell all of the units in a reasonably timely manner. Sponsor retains the unconditional right to rent after consummation of the Plan.

24. UNIT OWNERS MUST NOTIFY BOARD OF MANAGERS AND/OR MANAGING AGENT OF CHILDREN AGE TEN AND UNDER RESIDING IN THE CONDOMINIUM

Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers **(See Part I, Section "S").**

25. SPONSOR MAY SEEK SPECIFIC PERFORMANCE OF THE PURCHASE AGREEMENT

In accordance with the disclosure required by 13 NYCRR 20.3(o)(9), the Sponsor may seek specific performance of the Purchase Agreement to compel the Purchaser to purchase the subject Condominium Unit **(See Part I, Section "K").** Specific performance means that a court may order the purchaser to perform and complete the Purchase Agreement as if it had never been breached—that is, to close on the purchase of the Condominium Unit.

26. MEASUREMENTS OF INTERIOR OF UNIT

The approximate floor area of each Condominium Unit is measured as follows: (a) horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces) and (b) vertically from the top of the rough floor to the underside of the rough ceiling.

The square footage of each unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the condominium unit is less than listed on Schedule A of this offering plan. The square footage set forth in the offering plan significantly exceeds the actual usable floor area of the Unit **(See Part I, Section "E", footnote ii of Schedule "A").**

27. FOREIGN GOVERNMENT PURCHASERS OR RESIDENT REPRESENTATIVES FROM A FOREIGN GOVERNMENT MUST WAIVE IMMUNITY.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (examples are diplomatic immunity or sovereign immunity) shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement, the Condominium Documents or this Offering Plan being brought in any State or Federal Court in the State of New York. Any such Purchaser and any other Purchaser who is not a resident of New York State shall designate and authorize a lawful agent to receive process. **(See Part I, Section "K"(22) and Part II, Section "FF").**

28. ONE WATER METER FOR THE CONDOMINIUM BUILDING

The Units will not be individually metered for water. There will be one (1) water meter to measure all water consumed by condominium Unit Owners. The budget figure for water and sewer charges have been estimated based upon estimated annual water and sewer charges published by the New York City Bureau of Water & Energy Conservation and for similar buildings with approximately the same number Units and in accordance with rates currently in effect in New York City. Because there is one (1) water meter to measure the water usage for all of the condominium units, it is possible that if certain Unit Owners use more water than others, the Unit Owners using less water would conceivably be subsidizing the cost of water for those Unit Owners using more water than others. **(See Part I, Section "F"(v)).**

29. NO GAS SERVICE IN THE CONDOMINIUM BUILDING.

There is no gas service in the Condominium Building. All utilities will be served by electricity.

30. LEASING AND SELLING OF CONDOMINIUM UNITS

Unit Owners may not lease any portion of an apartment less than the entire apartment. Purchasers are prohibited from listing their Units for sale prior to the closing of such Unit. **(see Part I, Section "T"(7)).**

31. ROOF WARRANTY

The expected life span of the roof is twenty years. Sponsor is not making any guarantees regarding the expected lifespan of the roof. There will be no bond furnished other than a five (5) year warranty on all construction materials and workmanship. **(See Part II, Section "JJ").** There is a reserve fund that will be funded each year by payment of common charges by unit owners, and the reserve fund will accumulate to fund roof replacement and repairs as needed. **(See Part I, Section "F(xiii)").**

32. THERE MAY ALWAYS BE A SUBSTANTIAL PERCENTAGE OF OWNERS WHO ARE NON-RESIDENTS.

The Condominium Board of Managers does not have the right to approve or disapprove Purchasers, and 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. Owner-occupants and non-resident owners, such as sponsor or purchasers for investment purposes, may have inherent conflicts on management of the condominium. **(See Part I, Section "B(6)(ix)").**

33. PURCHASE AGREEMENT NOT CONTINGENT UPON FINANCING.

The Purchase Agreement is not subject to a Purchaser obtaining mortgage financing. However, if the Purchaser(s) obtains financing, the Purchaser's debt service will be an additional expense. The projected carry charges do not include certain costs for which the Unit Owner is responsible such as repairs to the interior of the Unit, electricity, heat, air conditioning and cable television service.

The obligations of a Purchaser under a Purchase Agreement are not conditional on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose the deposit if unable to pay the balance of the purchase price. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as to the availability or cost of such financing **(See Part I, Section "K(3)").**

34. MORTGAGE TAX CREDIT.

Sponsor shall, upon the closing of each Unit, have the right to receive a rebate for mortgage recording taxes already paid, if any, which rebate shall be credited to Sponsor from amounts any Unit Purchaser otherwise would have paid in connection with the recording of a mortgage against his Unit at the time of purchase. In the event that the Sponsor obtains mortgage financing for the condominium and a credit against the mortgage recording tax is available pursuant to Section 339-ee(2) of the New York Real Property Law, then a Purchaser who obtains purchase money mortgage financing shall not receive the benefit of such credit, but rather will pay the amount of any such credit to Sponsor, and Purchaser shall pay the full mortgage recording tax that is due and payable by Purchaser pursuant to applicable laws. This will NOT in any way increase the amount of the mortgage recording tax due and payable by Purchaser. This will NOT in any way increase the amount of the mortgage recording tax due and payable by purchaser. **(see Part I, Section "P").**

35. CELLAR ACCESSORY SPACE MAY NOT BE USED AS BEDROOMS.

The cellar contains an accessory space for Units 1A and 1B. The cellar accessory space may not be used as bedrooms, sleeping, eating or primary cooking facilities. The cellar accessory space is not allowed to be habitable spaces used as bedrooms, sleeping, eating or primary cooking facilities. The cellar space has less light and air than ordinary living spaces and it is more susceptible to dampness. A violation may be posted against the condominium building if a Unit Owner or tenant uses cellar accessory space as a bedroom and the Unit Owner will be liable for all costs incurred by the condominium to address said violation. The cellar Accessory Use Only Space will not be rented independently. **(See Part I, Section "B(6)(v)").**

36. TIME LIMITATION FOR SPONSOR TO ACCEPT OR REJECT PURCHASE AGREEMENT.

A Purchaser may not know if the Sponsor has accepted the Purchase Agreement for at up to thirty (30) days from the date when Sponsor receives a fully executed Purchase Agreement from Purchaser. Sponsor will either accept a Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or reject the Purchase Agreement offer and refund the Down Payment tendered within thirty (30) days after delivery by Purchaser of an executed Purchase Agreement together with the required Down Payment. In the event Sponsor fails to elect to accept or reject within the stated thirty (30) day period, Sponsor will be deemed to have rejected same and Purchaser shall be entitled to a prompt return of the deposit within five (5) business days after such 30-day period. **(See Part I, Section "K"(4)).**

37. BALCONIES AND ROOF TERRACES MUST REMAIN OPEN AS BUILT.

Balconies and roof terraces may not be used for any type of occupancy, including but not limited to sleeping, living rooms, recreation rooms, offices and storage (on terraces). To do so may result in the authorities having jurisdiction issuing a violation against the property. If the owner wants to install an enclosure of a balcony or roof terrace and the condominium by-laws would allow it, the enclosure must be built via the proper approvals and in strict compliance with the requirements of the Department of Buildings or the local authority having jurisdiction **(See Part I, Section "B(6)(v)")**.

38. PURCHASERS TO PAY $3,500 REIMBURSEMENT FEE TO SPONSOR AT CLOSING.

At Closing, Purchasers are required to pay to the Sponsor a fee of $3,500 as a Sponsor reimbursement fee to reimburse the Sponsor for fees incurred for filing this condominium offering plan with the New York State Department of Law to create this Condominium ("Sponsor Reimbursement") **(See Part I, Section "P(1)(ix)")**.

Purchaser shall be required to pay a $500.00 to Sponsor at closing to reimburse the Sponsor for obtaining a survey for the completed condominium building **(see Part I, Section "P"(iii)).**

At Closing, Purchasers shall pay the fee of Sponsor's closing attorneys in the amount of $3,500.00 per Unit at the time of closing for document preparation fees for preparation of closing documents and for attendance by Sponsor's counsel at the closing. If a closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), an attendance travel fee in the sum of $450.00 provided that the closing is held in the City of New York or Nassau County. Sponsor and Sponsor's counsel are not required to attend a closing at any location other than in the City of New York or Nassau County. In the event that a closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $250.00. There will be a fee charged of $150.00 for the preparation by Sponsor's counsel of E-Forms, which are required for the ACRIS recording of the transfer documents. **(See Part I, Section "P(VIII)")**

39. SPONSOR'S AND PRINCIPALS' LIABILITY.

Sponsor and its principals will remain liable notwithstanding any 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. This Offering Plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Offering Plan. Sponsor's obligation cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes. **(See Part I, Section "Q(4)")**

40. NO GUARANTY THAT THE CONDOMINIUM WILL HAVE SUFFICIENT FUNDS FOR CAPITAL EXPENDITURES WITHIN OR AFTER FIVE YEARS FROM THE FIRST CLOSING DATE AND RESERVE FUND.

Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five years following the First Closing Date should such capital expenditures be needed (**See Part I, Section "X"**).

The reserve fund may not be sufficient. The Condominium will have a Reserve Fund in the amount of $3,500 at the end of the first year of operation, which will be a reserve for capital expenditures. The initial $3,500 in the Reserve Fund will be collected from common charges. The Reserve Fund will be funded by Unit Owners through their monthly common charges.

The Reserve Fund shall be used for capital expenditures. Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five (5) years following the Closing Date should such capital expenditures be needed.

In the event that the Reserve Fund is insufficient to fund any capital expeditures that may be needed within or after five years, a special assessment will be imposed by the Board of Managers to all Unit Owners.

While the Sponsor is in control of the Board of Managers, the Reserve Fund or Working Capital Fund may not be used to reduce projected common charges in the Offering Plan.

Neither the New York State Department of Law nor any other governmental agency has passed upon the adequacy of the Reserve Fund **(See Part I, Section "X").**

41. LABOR FOR MAINTENANCE OF CONDOMINIUM PROVIDED

Costs for a part time superintendent have been included in the budget for the Condominium. The superintendent will not be a union member.

The part time superintendent will be responsible for performing all work required for the normal maintenance of the Condominium, such as cleaning the Common Elements, landscaping and snow removal in common areas.

The level of staffing complies with all applicable housing and labor laws. Sponsor will file a post-closing amendment which will identify the name of the part time superintendent and the location where the superintendent resides **(See Part I, Section "F(ii)")**.

The superintendent is not required to reside within 200 feet of the condominium to comply with New York City law. New York State's Multiple Dwelling Law §83 requires that "whenever there are 13 or more families occupying any multiple dwelling and the owner does not reside therein, there shall be a janitor, housekeeper or some other person responsible on behalf of the owner who shall reside in said dwelling, or within a dwelling located within a distance of 200 feet from said dwelling…". As this condominium contains four (4) condominium units, New York State's Multiple Dwelling Law §83 does not apply.

The superintendent is not required to reside within 200 feet of the condominium to comply with New York City law. New York City Administrative Code §27-2054 requires that "The person who performs janitorial services for a multiple dwelling of nine or more dwelling units (other than where janitorial services are performed on a twenty-four-hour-a-day basis under paragraph three of subdivision b of section 27-2053 of this article) shall reside in or within a distance of one block or two hundred feet from the dwelling, whichever is greater, unless the owner resides in the multiple dwelling. Where two or three multiple dwellings are connected or adjoining, it shall be sufficient, however, that the person who performs janitorial services resides in one of these, but no person who performs janitorial services for more than one multiple dwelling may service more than sixty-five dwelling units. Regardless of residence the janitor must have a telephone where the janitor may reasonably be expected to be reached". As this condominium contains four (4) condominium units, New York City Administrative Code §27-2054 does not apply.

Purchasers are advised to review Schedule B ("Part I, Section F. Budget for First Year of Operation") of this Offering Plan with regard to the costs of labor for the Condominium).

In the event that the Board determines that additional labor is required in the future, common charges will be increased to cover the increased costs of labor. The condominium will raise funds for capital expenditures that may be needed wihtin or after five years if the amount in the reserve fund is not sufficient by imposing a special assessment if funds are needed by the condominium.

The Board of Managers shall be responsible for hiring any appropriate repair service and to ensure that such service will make any emergency repairs to the Common Elements if the part time superintendent is unable to perform any required repairs or tasks **(See Part I, Section "F"(ii)).**

42. SPONSOR HAS THE RIGHT TO SELL UNITS FOR INVESTMENT OR RESALE

The Sponsor has the right to sell Units to Purchasers for investment or for resale. It is possible that certain owners of Condominium Units will not be residents of the Condominium. Sponsor has further reserved the right to

enter into Interim Leases with a contract vendee for any Unit prior to closing of the sale with the Purchaser thereof; Sponsor's leasing of Units to tenants (other than Interim Leases with contract-vendees) will occur only after the first closing. Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or from non-Sponsor Unit Owners. In addition, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies, except as may otherwise be agreed to in writing by the parties. A purchaser acquiring a unit that has been previously occupied will be purchasing the unit "as is" **(See Part I, Section "C" and "T").**

43. SPONSOR MAY CONTINUE TO SHOW UNSOLD UNITS TO PROSPECTIVE PURCHASERS

While Units are being offered for sale or lease by the Sponsor or its designees, there will be a greater number of visitors to the building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate **(See Part I, Section "C").**

44. HEATING EQUIPMENT BEYOND ANY WARRANTY PERIOD IS THE RESPONSIBILITY OF THE UNIT OWNER.

Replacement of the heating equipment or any part of the equipment beyond the warranty period will be the responsibility of the Unit Owner. Heating equipment is not part of the common elements. Each Unit has independent heating and air conditioning servicing their own Unit. The only warranty provided on heating equipment or any part of the equipment is a one year parts warranty and twelve year heat exchanger warranty. The one year parts warranty and twelve year heat exchanger warranty will not be available to purchasers who purchase a Unit after the expiration of the one year respective manufacturer's warranties.

Owners of units with outdoor spaces containing drains must keep drains clean and free of leaves and debris to ensure proper rainwater drainage. **(see Part I, Section "Q(14))").**

45. AIR CONDITIONING EQUIPMENT BEYOND ANY WARRANTY PERIOD IS THE RESPONSIBILITY OF THE UNIT OWNER.

Replacement of the HVAC equipment or any part of the equipment beyond the warranty period will be the responsibility of the Unit Owner. HVAC equipment is not part of the common elements. Each Unit has HVAC servicing their own Unit. The only warranty provided on HVAC or any part of the equipment is a 2 year warranty on parts, 5 year warranty for the compressor, and 1 year warranty for labor. The warranties on the HVACs equipment will not be available to purchasers who purchase a Unit after the expiration of the warranty. **(see Part I, Section "Q(14))")**

46. WOOD FLOORS TO BE PROPERLY MAINTAINED BY THE UNIT OWNER.

The Units will be delivered with wood floors, which need to be maintained according to the manufacturer's recommendations. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. For care instructions on wood floors, see www.nwfa.org. **(see Part I, Section "KK – Performance Standards").**

47. SPONSOR TO TRANSFER CERTAIN DOCUMENTS TO THE BOARD OF MANAGERS.

The following documents shall be transferred to the condominium management upon transfer of control Operation & Maintenance ("O&M") manuals for mechanical equipment; Electronic system manual; Re-commissioning manual (as applicable); equipment warranties; Roof Warranty; Major equipment Start-Up Sheets; Control System As-Built; Original Test & Balance Report for HVAC System; Indoor Air Quality report; Final As-Built drawings as maintained during construction, i.e., structural, mechanical, electrical, plumbing and shop drawings. **(See Part I, Section "Q(22)").**

48. NO GUARANTY AS TO NO REAL ESTATE TAX INCREASES BY THE CITY OF NEW YORK.

It should be noted by Purchasers that the City of New York may increase the real estate tax rate at any time and if the real estate tax rate increases, then the real estate taxes to be paid by Purchasers would increase during the First Year of Condominium Operations or subsequently. Purchaser should be aware that the projections of real estate taxes are only projections and that actual real estate tax rates may increase further between the time a Purchaser signs a Purchase Agreement and the time that a Purchaser Closing on title. There is no tax exemption under Section 421-a of the Real Property Tax Law ("421-a") or any other governmental tax abatement or tax exemption program for this Condominium. **(See Part I, Section "E").**

The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the building before construction is complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after construction is complete. See Footnote 2 to Schedule A for more information regarding the projected assessed valuation after completion of construction. **(See Part I, Section "E").**

It is anticipated that the construction of the all Units will be substantially completed in August 2025.

49. INTERIM LEASEES NOT AFFORDED ANY RIGHTS UNDER RENT STABILIZATION LAWS.

Interim lessees will not be afforded any rights under Rent Stabilization Laws or any applicable laws afforded to Tenants in this State, and leases will state that tenant acknowledges the same. As the offering plan and the Interim Leases do not provide tenant protections required by law, such as certain protections from eviction, harassment or unconscionable rent increases, prior to the condominium plan having been consummated, the Sponsor may not rent any units to any non-contract-vendees without invalidating the offering plan. If the Sponsor rents units prior to the condominium plan having been consummated, the building may be declared as a rental building and therefore, this offering plan would be invalid and the Sponsor would have to submit a new offering plan to sell condominium units under 13 NYCRR Part 23 which is an offering plan to convert existing residential rental property to condominium status. An uncured default under the Purchase Agreement is a default under the interim lease and an uncured default under the interim lease is a default under the Purchase Agreement. An uncured default under the interim lease can result in a default under the Purchase Agreement, however before the Sponsor may utilize the default under the interim lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. Sponsor must provide a Purchaser with a written demand for payment after default at least 30 days before forfeiture of the Down Payment may be declared. **(See Part I, Section "J" and Part II, Section "PP").**

50. DEFAULT UNDER AN INTERIM LEASE IS A DEFAULT UNDER THE PURCHASE AGREEMENT.

An uncured default under the Purchase Agreement is a default under the lease and an uncured default under the lease is a default under the Purchase Agreement. An uncured default under the lease can result in a default under the Purchase Agreement, however before the Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. Sponsor must provide a Purchaser with a written demand for payment after default at least thirty (30) days before forfeiture of the Down Payment may be declared **(see Part I, Section "J(3)").**

51. TAX CUTS AND JOBS ACT OF 2017 AND LIMITATIONS ON TAX DEDUCTIONS.

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changes the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Tax information and projections in this offering plan are based on new federal tax law, including, but not limited to, the opinion(s) of counsel and/or other experts and all other tax information and projections included in the offering plan as applicable.

Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which

constitutes a refinancing of such debt) (up to a total indebtedness of $750,000) and amounts in excess of these limitations would not be deductible. In addition, Residential Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should discuss the Alternative Minimum Tax ("AMT") with their accountant to understand the impact by AMT on their deductions **(see Part I, Section "W(1)").**

52. UNIT POWER OF ATTORNEY.

Each Unit Purchaser will be required to sign a power of attorney to the Board of Managers of the Condominium on the date of delivery of the deed. Sponsor will not close with any Purchaser who refuses to sign a power of attorney and reserves the right to rescind the Purchase Agreement by returning the full down payment. The Power of Attorney provides the following powers to the Board of Managers of the Condominium: (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer assign or lease the same, upon such terms and conditions as shall be approved by a majority of Unit Owners, (b) to acquire any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same pursuant to Article "13" of the Declaration of Condominium, (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote, the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate **(see Part I, Section "K(14)").**

53. ASSIGNMENT OF PURCHASE AGREEMENT.

The Purchase Agreement once executed by the Purchaser(s) and Sponsor is non-assignable without the express written consent of the Sponsor. In the event that the Sponsor consents to the assignment of the Purchase Agreement by Purchaser(s), an assignment fee in the amount of $5,000.00 shall be paid to the Sponsor by Purchaser(s) upon granting of the consent to assign the Purchase Agreement. With regard to the assignment of a purchase agreement, the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law **(see Part I, Section "M")**.

54. COST OF RECORDING DOCUMENTS.

The fee charged by the New York City Register's Office for the recording of the deed is approximately $200.00. Fee for the recording of the Unit power of attorney is approximately $75.00. The fee for recording the New York City Real Property Transfer Tax Return payable by the Purchaser is $50.00 **(SEE PART I, SECTION "P(1)(IV)").**

55. PET RESTRICTIONS.

No animals, birds, or reptiles of any kind shall be raised, bred, or kept in any Unit or in the Common Elements or Limited Common Elements, except that dogs, cats or other household pets, not to exceed two per Unit, without the written consent of the Board of Managers, may be kept in 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.

In no event shall any dog be permitted in any portion of the Common Elements unless carried or on a leash, or in any grass or garden plot under any circumstances **(see Part I, Section "T(8)").**

56. BUILDING SMOKING POLICIES PURSUANT TO LOCAL LAW 147.

On August 28, 2017, Mayor DeBlasio signed into law Local Law #147/2017 requiring the owners of all Class A multiple dwellings, including all cooperative corporations and condominiums to adopt a "smoking policy" no later than August 28, 2018.

Prior to August 28, 2018, the law governing smoking in class A multiple dwellings in New York City was the Smoke-Free Air Act ("SFAA"). The SFAA prohibited smoking or using electronic cigarettes in common indoor areas of buildings with three or more residential dwelling units. SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working). Local Law 147 does not change the requirements of SFAA. Thus, a building and a board of managers in a condominium cannot adopt a smoking policy permitting smoking in indoor common areas, lest the owners be in violation of SFAA. Smoking is permitted within the condominium unit, but the smoke cannot create a nuisance to other condominium unit owners.

Local Law 147/2017 was adopted to encourage restricting the ability to smoke in a multiple dwelling and condominium, and thus, to protect people from the hazards of second hand smoke. Local Law 147/2017 does not require the smoking policy adopted by the board of managers to include any specific restrictions (other than as otherwise required by law). It merely requires the board of managers to adopt a policy and to disclose that policy (and any future revisions to the policy) to all residents (unit owners) and potential residents (prospective purchasers).

The following is the smoking policy of this condominium:

> "The 368 & 372 92nd Street Condominium Smoking Policy:
>
> Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units.
>
> Smoking and using electronic cigarettes is permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.
>
> This smoking policy applies to all unit owners, tenants and invitees as well as other persons in the condominium.
>
> The definition of "smoking" is contained in the original Smoke Free Air Act (Title 17, Chapter 5 of the NYC Administrative Code) and is as follows: "Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco". The Code was amended to address electronic cigarettes.
>
> The Board of Managers shall provide a copy of the smoking policy to all unit owners and tenants in the condominium building on an annual basis.
>
> Unit owners that wish to sell their unit shall include the smoking policy in any contract of sale. Any Unit owners that wish to lease their unit shall include the smoking policy in any lease.
>
> The Board of Manager may impose penalties against unit owners (including upon unit owners for violations by tenants of unit owners) of $200 for a first violation of the smoking policy, $500 of for a second violation of the smoking policy in a period of twelve months, and $1,000 for a third and subsequent violations of the

smoking policy in a period of twelve months. Penalties for a violation may be imposed upon a unit owner of a condominium unit who fails to provide notices to purchasers or tenants/subtenants.

A copy of the building's smoking policy will be posted in a prominent location and/or provided to all unit owners and tenants and incorporated into the by-laws or rules of the condominium."

(See Part I, Section "T", Part II, Section "FF", "MM" and "PP").

57. DISCLOSURE REGARDING SPONSOR'S COUNSEL.

Sponsor's Counsel, Gary Rosen, Esq., is the (i) tax expert and author of the tax expert opinion letter; (ii) Schedule B budget expert and author of the budget certification; (iii) Schedule B-1 budget expert and author of the Schedule B-1 expert opinion letter; (iv) author of the Real Property Law Section 339-I opinion letter; and (v) author of the legal opinion letter included in this offering plan.

Gary Rosen, Esq. is a licensed real estate broker in the State of New York whose license number is 10491207349 which expires on May 30, 2027. Gary Rosen, Esq. has managed at least three condominium developments for over five years and was responsible for the creation of and management of the condominium budgets and payments. Further relevant real estate experience, qualifications, and licenses include development of residential condominium developments, apartments, and commercial real estate. Gary Rosen, Esq. has a BBA in Banking Finance and Investments and a juris doctor degree. Gary Rosen, Esq. is admitted to practice law in the States of New York, New Jersey, Pennsylvania, Florida and Georgia. Gary Rosen, Esq. has prepared condominium budgets for more than 25 offering plans based on his aforementioned experiences. Mr. Rosen will also act as a Sponsor-designated Board member during the control period. Mr. Rosen has prepared real estate tax analysis and projections for over fifty condominium developments between 2000 and the present date.

Purchasers are advised to consult with their own attorneys and expert regarding the matters described herein **(see Part I, Section "NN-3").**

58. MATERIAL CHANGE IN SQUARE FOOTAGE OF 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 is a rebuttable presumption that an area that is diminished by 5% or less is not material **(see Part I, Section "E(Footnotes to Schedule A (i)").**

59. COMPLIANCE WITH FINANCIAL CRIMES ENFORCEMENT NETWORK ("FINCEN")

Pursuant to the Geographic Targeting Order issued by the Director of the Financial Crimes Enforcement Network, title companies are now required to collect and report information regarding purchasers in transactions where the purchaser is a legal entity as defined in the Geographic Targeting Order; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan and Staten Island; (3) the total purchase price is in excess of Three Hundred Thousand Dollars ($300,000.00); (4) such purchase is made without a bank loan or other similar form of external financing by a financial institution that has both an obligation to maintain an antimoney laundering program and an obligation to report suspicious transactions under FinCEN regulations appearing in Chapter X of Title 31 of the Code of Federal Regulations; 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, or a money order in any form, a funds transfer, or virtual currency. This affects all residential real property closings meeting the above criteria and occurring on or after December 1, 2024, for so long as the Geographic Targeting Order remains in effect. The Geographic Targeting Order expires on October 9, 2025 and is expected to be renewed on similar terms upon expiration. A copy of the Geographic Targeting Order is available at: https://www.fincen.gov/system/files/shared/RRE-GTO-Order-April-14-2025-FINAL508.pdf. **(see Part I, Section "O(13)").**

60. CONFIDENTIALITY OF THE PURCHASE AGREEMENT.

The Purchase Agreement states that "Purchaser hereby acknowledges and agrees to keep all of the terms and conditions of this Agreement confidential. Purchaser agrees that any information which is required to be disclosed to the parties respective lawyers, architect/engineers, accountants, lenders, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser entitling Sponsor to the default remedies set forth in this Agreement." **See Part I, Section "K" and Part II, Section "FF".**

61. DISCLOSURE REQUIREMENTS REGARDING NEW YORK STATE'S ADDITIONAL TRANSFER TAX AND NEW SUPPLEMENTAL TAX.

On March 31, 2019, New York State announced additions to the base real estate transfer tax ("transfer tax") and established a new supplemental tax ("supplemental tax") on certain conveyances of real property within New York State. These amended tax rates apply only to conveyances of real property in cities with a population of 1 million or more (which includes only New York City as of the date of this guidance document). The additional transfer tax applies only to conveyances of residential real property2 when the consideration for the conveyance is $3 million or more, and conveyances of any other property when the consideration for the conveyance is $2 million or more. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is $2 million or more.

The additional transfer tax and new supplemental tax apply to all applicable transfers occurring after July 1, 2020. However, transfers made pursuant to a binding agreement entered into on or before April 1, 2019 (as confirmed by independent evidence such as a recording of the contract or payment of a deposit) and closing after July 1, 2020 will not be subject to the amended tax rates. Further information regarding the amended transfer tax and additional supplemental tax is available at the following web address: https://www.tax.ny.gov/pdf/memos/real_estate/m19-1r.pdf

It must be noted that: (i) the additional transfer tax and new supplemental tax may increase the typical closing costs as disclosed in the offering plan, and (ii) purchasers are advised to consult with their attorney and/or a tax expert to determine the tax implications of their purchase.

62. PROJECTED REAL ESTATE TAXES BASED ON ASSESSMENT PRIOR TO COMPLETION.

The projected real estate taxes for the first year of operation contained in Schedule A are based on a projected assessment of the building before construction is complete. The real estate tax projections set forth on Schedule A are based on the anticipated assessment prior to a re-assessment of the property post-construction. However, notwithstanding the projections of the real estate taxes contained in this offering plan, Purchasers should be aware that real estate taxes may increase materially when the building is reassessed by the New York City Department of Finance after construction or rehabilitation is complete. The projected construction completion date is August 1, 2025. **(See Schedule A).**

63. MOLD IN A UNIT BASED ON MAINTENANCE OF UNIT BY UNIT OWNER

Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title. Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed

plans and specifications; any conflict between the disclaimers and the sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. It is anticipated that the construction of the all Units will be substantially completed in August 2025. **(See Part II, Section "FF(24.5)")**.

64. PARKING AT THE CONDOMINIUM.

There are four (4) parking space units available at the Condominium which will be available for sale to the residential condominium unit owners on a first come, first serve basis. Purchasers acquiring a parking space will acquire title in fee simple title. (See Part I, Section "C").

A space may be provided and maintained in any multiple dwelling or upon the premises thereof, or a structure may be erected and maintained at the rear or side thereof, for the storage of passenger motor vehicles, but only with a written permit therefor when required by local law and in accordance with every applicable local law, ordinance, resolution, code provision or regulation and with the following provisions:

Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling or dwellings to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon. See N.Y. Mult. Dwell Law § 60.

Parking spaces may only be used for the parking of currently registered passenger automobiles, all of which must be validly registered with the Department of Motor Vehicles of any State of the United States of America. Parking Spaces may not be used to repair or work on any vehicle. All Parking Unit owners, including Sponsor in its role as an unsold Parking Unit owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage areas for the Parking Units, and (ii) the payment of any maintenance fees, license fees and/or Special Assessments imposed by the Condominium Board related to the Parking Units. **(See Part I, Section "B(4)").**

There are no handicapped parking spaces at the Condominium. Having no handicapped parking spaces is in accordance with applicable law and regulations, as no handicapped parking spaces are required by applicable law and regulations.

65. PURCHASE AGREEMENT PROVISION IMPACTING ABILITY TO CLOSE IN ORIGINAL TIME FRAME

Purchasers are advised that executing a purchase agreement that includes the following provision may impact the Purchaser's ability to close on her/his unit in the time frame originally contemplated in the purchase agreement and may limit the Purchaser's remedies for any such delay in the closing date: Purchaser's time to perform its obligations under the purchase agreement also may be tolled during the tolling period (the tolling period is the period when Purchaser may adjourn the closing date which is set forth in the Purchase Agreement one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". This means that the Purchaser must close by the adjourned date), and the sponsor cannot limit any rights which the purchaser may have pursuant to Art. 23A of the GBL, NYCRR regulations, and the offering plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order and that Purchaser may be entitled to. **(See Part II, Purchase Agreement section 30.3).**

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

66. CYBERCRIMINALS ATTEMPTING TO STEAL MONEY SENT BY FEDERAL FUNDS WIRE.

Cybercriminals attempting to steal large sums of money are targeting email accounts of parties involved in real estate transactions throughout the world. In the event that a Purchaser, or their attorneys or lenders, or title insurance companies, or title abstract companies sends or attempts to send a federal funds wire or wires to the Sponsor, Sponsor's counsel, Sponsor's lenders, or Sponsor's title insurance company (collectively the "Sponsor Parties"), and such federal funds wire or wires are not received by the Sponsor Parties, solely due to cybercriminal activity that is not due to the fault of Sponsor parties, the Sponsor and Sponsor Parties shall not be responsible for, or liable for the funds that were sent on Purchaser's behalf. If the funds due to the Sponsor and Sponsor Parties are not actually received by Sponsor and/or the Sponsor Parties, it shall be deemed that the monies were not paid by the Purchaser to the Sponsor. In the event that monies sent by Purchaser and/or Purchaser Parties to Sponsor and Sponsor Parties are not received by Sponsor and Sponsor Parties, the Purchaser would still be liable to Sponsor and no deed will be delivered to Purchaser without full payments due to Sponsor in accordance with the terms and conditions of the Purchase Agreement. A purchaser's failure to pay the sum due on the closing date as result of cybercriminal interception of wired funds shall not be deemed an event of default. In one case, entitled Davis, et.al. v. Tiszenkel, et.al., Supreme Court of the State of New York, County of New York, Index No. 156636/2021, the purchaser appeared at a closing and wired funds to satisfy the seller's existing mortgage. The title company wired the funds pursuant to a fax payoff letter from the lender. The fax fax payoff letter from the lender contained fraudulent wiring instructions, fraudulent routing number and fraudulent bank account number. The lender did not receive the payoff amount and did not issue a satisfaction of mortgage, which resulted in a lawsuit, for which the title company, purchaser's attorney and seller's attorney had to pay the mortgage balance off in a settlement of the litigation **(See Part I, Section "FF(4)").(See Part I, Section "FF(4)").**

67. NO BOND OR SECURITY FURNISHED

No bond or security has been furnished to secure Sponsor's obligation under this plan or to complete construction. Sponsor has the financial resources to complete its obligations under the plan. **(See Part I, Section "Q(5)").**

68. WAIVER OF JURY

Except as prohibited by law, the parties shall and they hereby do expressly waive trial by jury in any litigation, action, proceeding or counterclaim arising out of, or connected with, or relating to this Agreement or the relationship created hereby or in the Offering Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. **(See Part I, Section "FF(35)").**

69. ROOF SPACE AREAS NOT PROPERLY FINISHED MAY NOT BE UTILIZED FOR WALKING.

Portions of the roof have been finished for walking. The areas of the roof appropriate for walking are identified and depicted on the individual roof floor plan contained on page 219 of this Plan in the "Description of Property, Specifications and Building Condition" in Part II of the Plan. Any areas of the roof surface that is not properly finished for walking on can cause damage to the roof (**See Part II, Section "II"**). There are areas of the roof which are designated to be unobstructed space for firefighting operations as per the New York City Fire Code Section 504.4.2. These areas may not be used for recreational purposes unless the certificate of occupancy is amended. These areas may not be converted for recreational purposes. The roof areas that are not appropriate for walking are not dangers to the unit owners but may damage the roof, and these areas are sufficiently and conspicuously identitied so as not to be inadvertently used for walking **(See Part II, Section "II").**

70. DRAINS

Roof areas with internal drains surrounded by parapet walls have an emergency secondary drainage, as required by plumbing and building codes, to help to prevent leaks. Typical systems include secondary overflow drains, scuppers, and gutters. The unit owner having use of the roof terraces is responsible for repairing and maintaining the roof terrace which is limited common element to their unit. In the event that there is leak damage to a residential unit, the condominium board of managers shall determine who is responsible for the leak, the cause of the leak and who

should be required to resolve any repairs that are required due to a leak in the apartment below a roof terrace. For any areas of the roof that is not limited common element, the board of managers shall be responsible for repairing and maintaining the roof areas that are common element, and shall be responsible for damages to a condominium unit below the common element roof areas. **(See Part II Report, Section (h)(7)(ii)(a)).**

71. THERE IS CERTAIN ROOF AREA WHICH IS PART OF UNITS 2A AND 2B.

The unit owner having use of roof terraces are responsible for repairing and maintaining the roof terrace which is part of their unit. In the event that there is leak damage to a residential unit, the condominium board of managers shall determine who is responsible for the leak, the cause of the leak and who should be required to resolve any repairs that are required due to a leak in the apartment below a roof terrace. For any areas of the roof that is not part of a Unit, the board of managers shall be responsible for repairing and maintaining the roof areas that are common element, and shall be responsible for damages to a condominium unit below the common element roof areas. **(See Part I, Section "(LL)).**

72. PARTY WALL

One of the party walls, appear to be a single structural 'load-bearing' wall centered on each side of the lot line. The Party Wall is approximately 8" inches and spans across two lots (the lot on which the Condominium is constructed and Lot 14 which is to the westerly side of the Condominium building (the "Adjacent Property"). The condominium board of managers and the owner of the Adjacent Property are jointly responsible for maintaining the party wall including but not limted to maintaining structural integrity of the party wall, weather protection of the party wall, vertical fire division of the party wall and other related code & regulation requirements of the party wall. According to New York City Construction Code, Section 28-306.1 states: "Responsibility for party walls. Repair and maintenance of the construction, design and fire-resistance rating of party walls shall be the joint responsibility of the owners of the adjoining properties, and any change by either owner must maintain the weather protection, structural, vertical fire division and other requirements of this code for party walls". The Party Wall is adjacent to all Units on the westerly side of the condominium building.

73. QUALITY HOUSING

The condominium building is a Quality Housing Project which consists of four components: neighborhood impact, building interior, recreation space and planning and safety and security.

There are no specific restrictions or requirements imposed by the Quality Housing Program imposed on Unit Owners. The Quality Housing Program is a set of zoning regulations that intend to maintain the existing character of neighborhoods by giving incentives to developers with higher building floor areas **(See Part I, Section "C(1)").**

74. LOW HEADROOM AT CELLAR

There is low headroom at the cellar; the ceiling height is only 5'-6".

75. PROXIMITY TO NYC TRANSIT FACILITY

There is an elevated subway train running along 10th Street which is located approximately 50 feet from the condominium building. Purchasers should note that there could be noise and vibrations from the railroad cars.

76. WINDER TREADS

The existing front stairs leading to the cellar contain winder stair treads which do not meet current standard of 6" minimum tread depth at the narrowest point, instead the winder treads converge to a point, which may be a stumbling/falling hazard.

77. NO ASBESTOS

The testing of the building sample materials have been evaluated by an analytical laboratory and the premises or the portion(s) of the premises included in the scope of renovations was/were determined that there was no asbestos-containing materials (ACM) present. The existing portions of the exterior masonry of the building were visually evaluated by the DEP certified asbestos investigator and determined that there was no asbestos-containing materials (ACM) present and sample testing was not required.

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A. DEFINITIONS OF TERMS USED IN THIS OFFERING PLAN

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

"Appurtenant Interest" shall mean with respect to any Unit, the undivided interest of the owner thereof, pursuant to Section 339-x of the Condominium Act.

"Assessments" shall mean the charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws).

"Board" or "Board of Managers" or "Condominium Board" shall mean the Board of Managers of the Condominium which is the overall governing body of the Condominium which represents all the Unit Owners and Managers the Condominium pursuant to the provisions of the Declaration, By-Laws, and of the Plan.

"Building" or "Condominium Building" shall mean the building structure known by the address 368 & 372 92nd Street, Brooklyn, County of Kings, City and State of New York which is located on the Land, in which the Condominium will be located.

"Building Department" or "Department of Buildings" shall mean the New York City Department of Buildings or any successor agency.

"By-Laws" shall mean the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

"Closing" or **"Closing of Title"** shall mean the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" shall mean be the date upon which a Closing occurs.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Common Charges" shall mean any charges allocated and/or assessed by the Condominium Board against any Unit Owner and/or each Unit's proportionate share of the Common Expenses in accordance with its common interest.

"Common Elements" shall mean all portions of the Condominium other than the Units, including, without limitation, the land, roofs (except roof terraces, if any, which are limited common element), walls and structural elements of the building, windows, vestibules, staircases, bulkheads, drywells, sprinkler mechanical room, electric meter room, entrance hall, planted / landscaping area, roofs, and certain other portions of the building to be set aside for common use.

"Common Expense" shall mean all costs and expenses incurred or paid generally by the Board in connection with the operation of the Condominium, which pursuant to the Plan, the Declaration and the By-Laws, are, except as set forth in the Plan and the Condominium By-Laws, to be paid by the Unit Owners in proportion to their Common Interest, as summarized in "Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws" and as more fully described in the Declaration and the By-Laws.

"Common Interest" shall mean the proportionate undivided interest each expressed as a numerical percentage in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Schedule B annexed to the Declaration.

"Condominium" shall mean The 368 & 372 92nd Street Condominium which is established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws and is composed of the Unit Owners.

"Condominium Act" shall mean Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

"Condominium Board" shall mean the Board of Managers of the Condominium who will manage the affairs the Condominium.

"Condominium Documents" shall mean collectively this Plan, the Declaration, the By-Laws and the Rules and Regulations thereunder, as the same may be amended from time to time.

"Condominium Unit" or "Residential Unit" or "Residential Condominium Unit" shall mean a Unit of residential housing now or hereafter situated on the property. A Residential Unit is equivalent to the term "Unit" as the same is used in Article 9-B of the Real Property Law. A Residential Unit shall be used for residential purposes only, including home occupancy, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory", "bed and breakfast" or other transient hotel-type entity. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Certificate of Occupancy covering the Building and the Condominium Board, in its sole discretion, grants permission for such use.

"Declaration" or "Declaration of Condominium" shall mean the instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time amended, consistent with the provisions of the Condominium Act and of the By-Laws.

"Department of Law" shall mean the Real Estate Financing Bureau of the New York State Department of Law, 28 Liberty Street, New York, New York 10005.

"Deposit" or "Down Payment" shall mean all deposits, down payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Description of Property, Specifications and Building Condition" shall mean the report contained in Part II of the Offering Plan prepared by a registered architect or professional engineer describing the Condominium property and specification and building condition of the Condominium Building.

"Designee" shall mean any individual or entity so designated in writing by a Unit Owner or Sponsor as the case may be authorized to make such designation.

"Effective Date" shall mean the date upon which Sponsor has declared the Offering Plan effective pursuant to the provisions of the General Business Law of the State of New York.

"Eligible Holder" shall mean a holder, insurer or guarantor of a first mortgage on a unit in a condominium.

"Equal or Better" shall mean comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Exhibits" shall mean collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property.

"Filing Date" shall mean the date that the Offering Plan or an amendment to the Offering Plans is or was accepted for filing by the New York State Department of Law.

"First Unit Closing" or **"First Closing"** shall mean the first date that title to a Condominium Unit is transferred to a Purchaser under the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". The First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the Floor Plans of the Units and Building certified to by a professional engineer or registered architect, to be filed with the Office of the City Register, simultaneously with the recording of the Declaration, together with any supplemental Floor Plans thereto, copies of which are reproduced in Part II of the Plan.

"GBL" or **"General Business Law"** shall mean the New York State General Business Law.

"Interim Lease" shall mean that Sponsor may rent any Unit to a contract-vendee that is vacant (i) before the Plan has been consummated, (ii) before the closing or (iii) after the Plan has been declared effective and any unpaid common charges due prior to or as of the date of closing will be payable on the date of closing together with any other payments required under the Plan.

"Land" shall mean the parcel of land located in the Borough of Brooklyn, County of Kings on the Tax Map of the Real Property Assessment Department of the City of New York, as Block 6103, Lots 27 & 28 and more particularly described in Schedule A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City and County (where the Condominium is located) governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" shall mean, with respect to each Unit, those Common Elements, if any, which are so designated on the Floor Plans or in the Declaration and which serve or benefit exclusively some, but not all, of the Unit Owners and areas which are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers, or their designees to enter upon any restricted area for maintenance, repair and inspection of a Unit or Common Elements and subject to the rules of the Board of Managers. **Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.**

"**Majority" shall** mean a more than fifty percent (50%) in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters. Any specified percentage of Unit Owners means such percentage in Common Interest in the aggregate, as may be specified herein or in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters, provided, however that different percentages in interest and in number of Units may be so specified.

"Managing Agent" shall mean a person or entity employed by the Condominium Board to undertake and perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in the Bylaws.

"Notice of Closing" shall mean the notice that the Sponsor shall send to a Purchaser setting the date of the Closing.

"Offering Plan" shall mean the document filed with the New York State Department of Law and any and all amendments thereto which describes the Condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time.

"Operation of the Property" shall mean the administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

"Parking Space Condominium Unit" shall mean a parking space which is a separate condominium unit which shall be used for the parking of currently registered passenger automobiles, all of which must be validly registered with the

Department of Motor Vehicles of any State of the United States of America. Parking Spaces may not be used to repair or work on any vehicle.

"Parking Space Condominium Unit Owner" shall mean the owner of a Parking Space Condominium Unit.

"Party Wall" shall mean a wall which is common to and separates two or more Units.

"Permanent Certificate of Occupancy" or "Final Certificate of Occupancy" shall mean the Permanent Certificate of Occupancy issued or to be issued by the New York City Department of Buildings for the Building.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a mortgage placed on a Unit made to a bank, a trust company, an insurance company, a federal savings and loan association, a pension fund or other institutional lender, the Sponsor, a Sponsor-designee, or the Seller of the Unit.

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

"Person" shall mean a natural person, corporation, partnership, limited liability company, trust, trustee, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other legal entity.

"Plan" shall mean the Condominium Offering Plan for The 368 & 372 92nd Street Condominium promulgated by the Sponsor pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

"Plans and Specifications" shall mean the Plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Building Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Power of Attorney" shall mean the document signed by Unit Owners which (i) appoints the Board of Managers as attorney in fact to acquire on behalf of all Unit Owners, any Unit that the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interest thereto, and to deal with any such Units so acquired as they may determine and (ii) appoint the Sponsor, as attorney in fact, to amend the Declaration, the Bylaws, the Rules and Regulations of the Condominium, or any of said documents under certain conditions set forth in the Power of Attorney.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the fourth day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean and includes collectively the Land and the Building, and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

"Purchase Agreement" shall mean the agreement to purchase a Unit pursuant to the Offering Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean a Purchaser of a Unit pursuant to a Purchase Agreement.

"Register's Offices" shall mean the Office of the Register of the City of New York.

"Rules and Regulations" shall mean the rules and regulations made in accordance with the By-Laws of the Condominium as the same may be amended from time to time, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the Bylaws.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A – Offering Prices of Units and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". Schedule B is sometimes referred to herein as the First Year's Budget.

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 – for Individual Energy Costs".

"Selling Agent" shall mean the Sponsor, or any Selling Agent named in the Plan or any successor Selling Agent at any time in question.

"Service Equipment" shall mean all of the following now or hereafter installed in the Building, serving one or more Units or the Limited Common Elements, if any, appurtenant thereto: (i) pipes, wires, ducts, risers, cables, conduits and (ii) mechanical, electrical and other equipment, including antennas, satellite dishes and other communication devices.

"Signs" shall mean any sign, advertisement, notice or other lettering.

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean the promoter of the project and/or the Offering Plan to convert or create the particular parcel of property to Condominium Ownership. The Declarant under the declaration of Condominium for the Property is the Sponsor of the Offering Plan. 368 Dev LLC is the Sponsor and Declarant.

"Sponsor Control Period" shall mean the period from the first closing of a condominium unit conveying a unit to a purchaser through the date which is the earlier of thirty (30) days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first.

"Sponsor Designee" shall mean any person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all of the rights of a Sponsor-designee. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

"Temporary Certificate of Occupancy" or "TCO" shall mean the Temporary Certificate of Occupancy issued or to be issued by the New York City Department of Buildings for the Building, which is usually issued for a three month time period and requires renewal or the issuance of a Permanent Certificate of Occupancy.

"Unit" shall mean any space designated as a Unit in the Declaration.

"Unit Deed" shall mean the deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" shall mean the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.

"Unit Owner" or **"Unit Owners" shall** mean any owner or owners of a Condominium Unit in the Condominium. All of such Unit Owners are collectively referred to as "Unit Owner". "Unit Owner" and shall have the meaning ascribed to it in Article 9-B of the Real Property Law of the State of New York. 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.

"Unsold Unit" shall mean any Unit held by the Sponsor or Sponsor's designee or any Construction Lender or Sponsor or Receiver appointed by such Construction Lender or a Purchaser at a foreclosure sale held by such Construction

Lender or any designee of such Construction Lender or any entity acquiring Sponsor's Units by a deed in lieu of foreclosure. The owner of Unsold Units shall have the same rights, privileges, exemptions and benefits with respect to its Unsold Units as Sponsor has under this Plan and the Declaration and By-Laws with respect to the Units owned by Sponsor.

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B. INTRODUCTION

(1) Offer Made by Offering Plan.

The purpose of the Offering Plan is to set forth all of the material terms of the offer in order to allow prospective Purchasers to make an informed decision regarding their purchase of a Unit. The Offering 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 § 20.1(d). An amendment is not effective until the Department of Law of the State of New York has accepted the amendment for filing.

Under New York law, a Sponsor may not offer Condominium Units for sale unless and until an Offering Plan has been accepted for filing by the Department of Law of the State of New York.

(2) Applicable Law.

The Condominium is subject to and complies with the New York Condominium Act (Article 9-B of the New York Real Property Law).

(3) Sponsor.

The Sponsor is 368 Dev LLC, a New York limited liability company formed on April 1, 2024.

The principals of the sponsor are Joseph Serrano and John Larocca.

The Sponsor acquired the real property upon which the Condominium is being constructed in fee simple on April 24, 2024 by deed recorded in the office of the New York City Register on April 26, 2024 in CRFN # 2024000108178.

There will be two (2) newly constructed buildings. The buildings will consist of a cellar, first, second and attic floor and a total of four (4) Residential Condominium Units and four (4) parking units.

Sponsor retains all air rights and transferable development rights ("Air Rights") benefitting or encumbering the property on which the Condominium is being constructed which Air Rights can be transferred to adjoining buildings and/or buildings located in another part of New York City if zoning laws permit. Sponsor may not use these rights to increase the size of the condominium building. Sponsor's retention of the Air Rights may be transferred to adjoining buildings and that the transfer of the Air Rights may have an impact on light and view. The Condominium shall not be entitled to receive any compensation for the sale or transfer of any development rights or air rights on the Property. There are no air rights or transferrable development rights benefitting or encumbering the property. (See Part II, Section LL, Article 1).

Sponsor has no obligation to sell more than 15% of the units necessary to declare the offering plan effective. 15% of the units is one (1) unit (4 units x 15%). Sponsor reserves the unconditional right to rent after consummation of the offering plan rather than sell Units. Sponsor will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold Units (two or more condominium units), the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. A Purchaser of a previously occupied unit will purchase the unit "as is."

Sponsor has obtained an acquisition loan to purchase and renovate the property. The acquisition loan will be satisfied and paid off in full at or prior to the first closing. After the recording of the Declaration and before the closing of title to the first Unit, the mortgages encumbering the property will be satisfied and paid off. Before the closing of title to the first Unit, all liens and mortgages affecting the Condominium will be paid and satisfied. There are no bank requirements for Sponsor to market the units for sale and there is no minimum number or percentage of units which must be under contract before the plan can be declared effective. There are no minimum release prices and a required minimum payment per sale which must be made to Sponsor's lender, as there is no lender. There are no limits or requirements imposed by any lender to rent rather than sell under specified market conditions. Sponsor has not obtained construction financing for this Condominium.

If Sponsor obtains construction financing, Sponsor will file an amendment to the Plan disclosing the terms of any construction loan as such terms apply to the Sponsor's obligation to market the units for sale, including any minimum number or percentage of units which must be under contract before the Plan can be declared effective, the existence of either a minimum release price set by the lender or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold, and limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified market conditions.

(4) Size of the Offering.

The Sponsor hereby offers for sale a total of four (4) Residential Condominium Units and four (4) Parking Space Condominium Units in two (2) newly constructed buildings. The four (4) Residential Condominium Units for sale are located on the cellar, first, second, and attic floors.

The subject building is presently under construction. It is anticipated that the construction of the all Units will be substantially completed in August 2025. Sponsor intends to convey title to the Unit Purchasers on or about January 1, 2026.

Units for Sale:

The prices for all Units being offered for sale are set forth on Schedule "A" which is included in this Offering Plan. There are no Units or property interests which are not offered for sale.

There are no Units or property interests which are not offered for sale.

The entire common interest is divided among all of the units in the building in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York which allocates common interest based floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Parking Spaces:

There are four (4) parking space units available at the Condominium which will be available for sale to the residential condominium unit owners on a first come, first serve basis. Purchasers acquiring a parking space will acquire title in fee simple title.

Parking spaces may only be used for the storage of passenger motor vehicles, but only with a written permit therefor when required by local law and in accordance with every applicable local law, ordinance, resolution, code provision or regulation and with the following provisions:

> Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling or dwellings to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon. See N.Y. Mult. Dwell Law § 60

Parking Spaces may not be used to repair or work on any vehicle.

There are no handicapped parking spaces at the Condominium. Having no handicapped parking spaces is in accordance with applicable law and regulations, as no handicapped parking spaces are required by applicable law and regulations.

Common Areas:

All common areas as identified and described in this Offering Plan will be owned by all Unit Owners as Common Element.

The cellars in each of the two buildings each contain a mechanical room and electrical room. The mechanical room and electrical room in the cellars are common element.

The building with the address of 368 92nd Street, contains the mechanical room and electrical room which service Unit 1A and Unit 2A. Unit 1A contains the mechanical room and electrical room in the building with the address of 368 92nd Street. The owner of Unit 2A or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2A has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 368 92nd Street. The owner of Unit 2A will have a key to the door to enter into the cellar. The owner of Unit 2A has full unfettered access to enter into Unit 1A through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2A is permitted to access the mechanical room and electrical room as required.

The building with the address of 372 92nd Street, contains the mechanical room and electrical room which service Unit 1B and Unit 2B. Unit 1B contains the mechanical room and electrical room in the building with the address of 372 92nd Street. The owner of Unit 2B or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2B has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 372 92nd Street. The owner of Unit 2B will have a key to the door to enter into the cellar. The owner of Unit 2B has full unfettered access to enter into Unit 1B through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2B is permitted to access the mechanical room and electrical room as required.

(5) Percentages of Common Interest.

The percentages of common interest and the number of Units are set forth on Schedule "A" of this Offering Plan.

(6) Basic Aspects of Condominium Ownership.

(i) Outright Ownership.

Ownership of a Condominium is similar in many respects to the ownership of a private one-family home. Each Purchaser owns his or her Unit outright and is entitled to the exclusive possession of his or her Unit together with an interest in and right to use the Common Elements, and exclusive right to use Limited Common Elements.

(ii) Differences between the space owned exclusively by a Unit Owner and Common Elements and Limited Common Elements.

Space located inside of the Condominium Unit is owned by a Unit Owner for his or her exclusive use. Use of the Unit is controlled by the provisions of the Condominium Declaration, By-Laws and any rules and regulations promulgated pursuant to these documents. The interior living space of the Unit is generally exclusive space. It must be maintained and decorated by the Unit Owner at his or her own expense.

Common Elements are those portions of the Building used by all Unit Owners together. Examples of Common Elements are the hallways and the stairs which are located outside of the Condominium Unit, **the land, roofs (except roof terraces, if any, which are limited common element), walls and structural elements of the building, windows, vestibules, staircases, bulkheads, drywells, sprinkler mechanical room, electric meter room,**

entrance hall, planted / landscaping area, roofs, and certain other portions of the building to be set aside for common use. There are areas of the roof which are designated to be unobstructed space for firefighting operations as per the New York City Fire Code Section 504.4.2, and these areas may not contain any structures installed on these roof areas.These areas may not be used for recreational purposes unless the certificate of occupancy is amended. These areas may not be converted for recreational purposes.

Limited Common Elements of the Condominium consist of the portion of the land or Building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all other Units. **Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element. The roof terraces that will be limited common element for Units 2A and 2B will not be stated on the certificate of occupancy. Notwithstanding the foregoing, the Purchaser of Units 2A and 2B will be legally be permited to use this roof area without an amendment to the Certificate of Occupancy. The owners of Units 2A and 2B will be responsible for maintaining, repairing and replacing the roof area which is the limited common element.** Proposed maintenance, repair, or replacement of the limited common element roof areas will require the board's prior review and consent of all aspects of the work to be performed including on the limited common element roof areas, without limitation, approval of contractor(s), insurance, etc. **(See Part I, Section "E", Schedule "A")**.

All furniture on any such exclusive private balconies/private terraces must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. At the request of the Condominium Board, any furniture, plantings or other items placed on the Private Balconies/Private Terraces shall be moved promptly at the expense of the Unit Owner to whose Unit such private balcony or private terrace is appurtenant, to the extent necessary for any Building maintenance or inspection. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All private balconies/private terraces must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the private balcony/private terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any private balcony/private terrace wall, structure, railing or other temporary or permanent structure is permitted. No items, included but not limited to climbing equipment, bikes, pools, children's toys, et.c, may be stored on any private balcony/private terrace; any appropriate furniture including tables, chair cushions, and umbrellas may be left on the private balconies/private terraces only if properly secured. No items can be placed on the private balcony or private terrace parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any private balcony/private terrace (except to the extent that such private balcony/private terrace was enclosed by Sponsor) or erect any structure on any private balcony or private terrace. No portion of any private balcony or private terrace may be painted, cemented, or changed in any fashion from its original appearance. No carpeting may be placed on any private balcony or private terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any private balcony or private terrace. No unattended animals, which include but are not limited to dogs, cats, birds, are allowed on any private balcony or private terrace. The Condominium Board may establish such other rules and regulations it reasonably deems necessary to protect the Common Elements from damages.

(iii) Payment of Common Charges.

Each Unit Owner must pay common charges in accordance with the Declaration, By-Laws and Sections 339-i and 339-m and other related provisions of the New York Condominium Act (Article 9-B of the New York Real Property Law). Common charges are paid in proportion to the Unit Owner's respective interest in the Common Elements and are used for the operation and maintenance of the Condominium property as the Board of Managers determines in the exercise of its business judgment. Sponsor will provide certified financial statements for the condominium during the delay in the collection of common charges if condominium operation has commenced.

(iv) Compliance with Declaration, By-Laws, Rules and Regulations.

Each Unit Owner is obligated to comply with the Declaration of the Condominium, the By-Laws, Rules and Regulations and any other requirements of the Board of Managers. There are no amenities offered by Sponsor.

(v) Restrictions on Use, Resale, Leasing and Mortgaging Condominium Unit

There are no restrictions on the use or mortgaging, use, leasing or resales of Condominium Units. (See Condominium By-Laws - Article VII, Section 1). The condominium building has not been designated as a Landmark.

The cellar contains accessory spaces for Units 1A and 1B. The cellar accessory space may not be used as bedrooms, sleeping, eating or primary cooking facilities. A violation may be posted against the condominium building if a Unit Owner or tenant uses an accessory space as a bedroom and the Unit Owner will be liable for all costs incurred by the condominium to address said violation. The cellar space has less light and air than ordinary living spaces and it is more susceptible to dampness.

(vi) Board of Managers.

The Board of Managers governs the affairs of the Condominium and supervises the operation of the property. Each Unit Owner has the right to vote at annual elections for the Board of Managers in accordance with the Condominium Declaration and By-Laws. Unit Owners may vote to elect members of the Board of Managers after the expiration of the Sponsor control period.

Any dispute between two or more Unit Owners with each other may be resolved in any court of law. The By-Laws provide that only disputes between a Unit Owner and the Board of Managers shall be resolved in Arbitration. Arbitration provided for in these By-Laws shall be conducted before one arbitrator in the City of New York, State of New York by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the City of New York before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the City and State of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be a General Common Expense. Any arbitrator appointed or selected in connection with the arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least three members.

(b) Agreement by Parties. The parties to any dispute required or permitted to be subject to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of (a) with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Determination of Disputes". **(See Part I, Section "MM" – Condominium By-Laws, Article X)**

The Board of Managers governs the affairs of the Condominium and supervises the operation of the property. Each Unit Owner has the right to vote at annual elections for the Board of Managers in accordance with the Condominium Declaration and By-Laws.

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., as a home as opposed to an investment.

Purchasers for their own occupancy may never gain control of the Board of Managers.

After voting control terminates, a majority of the Board of Managers need not be owner occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals of Sponsor.

(vii) Taxation and Mortgages.

Each Condominium Unit will be separately taxed and may be separately mortgaged.

(viii) Maintenance, Repairs and Insurance.

A Unit Owner will be responsible for maintenance and repairs inside of the Condominium Unit, for areas which are Limited Common Element to the Condominium Unit and for any equipment which is exclusively used by the Condominium Unit Owner, such as items which service only the individual Condominium Unit. The Unit Owner will be responsible for obtaining and maintaining casualty and liability insurance for the interior of the Condominium Unit and all of its contents. The Condominium will be responsible for maintaining and repairing all common areas of the Condominium.

(ix) No Right of Board of Managers to Approve Purchasers

The condominium board does not have the right to approve or disapprove purchasers.

There is no limit on the number of owners who may purchase for investment rather than for personal occupancy and that there may always be a substantial percentage of owners who are non-residents.

The Condominium Units may only be offered to individuals over the age of eighteen (18) years, corporations, and other entities that may legally own real property in the State of New York.

The Sponsor and the Board of Managers and its agents may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law.

No persons or entities that are prohibited by rules or regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under Executive Order 13224 (the "Executive Order") signed on September 24, 2001, and entitled "Blocking Property and Prohibiting transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action" may purchase a Condominium Unit, (b) no persons or entities that violate the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001 or the regulations or orders promulgated thereunder (as amended from time to time, the "Money Laundering Act") may purchase a Condominium Unit and (c) all Purchasers of a Condominium Unit must comply with the Executive Order and with the Money Laundering Act.

The Purchase Agreement once executed by the Purchaser(s) and Sponsor is non-assignable without the express written consent of the Sponsor.

(7) Equipment and Fixtures are Included in the Offering Price.

The Sponsor will provide an electric range, refrigerator, dishwasher and heating and air conditioning equipment in each Unit. The Sponsor will not provide a clothes washer and clothes dryer in each condominium unit. Sponsor will provide a hook-up for a domestic, stackable type clothes washer and electric clothes dryer units in each condominium unit. One air conditioning unit will be furnished in each Unit. It is the Sponsor's and principal's obligation to procure a Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy. Sponsor will be able to procure the Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy with the appliances provided by Sponsor. Prior to issuance of a final Certificate of Occupancy no structural changes shall be made to either the interior or exterior of Purchaser's Unit without prior written consent from the Sponsor.

(8) Prices Fixed by Sponsor Alone.

The prices for the Units offered through this Plan are not subject to approval by the New York State Department of Law or any other governmental agency.

(9) Plan Contains All Material Terms.

The Offering Plan delivered to prospective Purchasers contains all of the material terms of the transaction.

Copies of all documents referred to in the Offering Plan and all Exhibits submitted to the New York State Department of Law in connection with the filing of the Offering Plan will be available for inspection by prospective Purchasers and their attorneys without charge, and for copying at reasonable charge at the site whenever an on-site sales office is open, at the office of the Sponsor as well as at the New York State Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005.

The Offering Plan is presented in two parts which together constitute the entire Offering Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property, legal opinions as to certain tax matters discussed in the Offering Plan, certifications of Sponsor and certain experts.

A prospective Purchaser may obtain the Plan electronically from Sponsor at no cost to Purchaser.

(10) Purchasers Advised to Read Offering Plan.

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.

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C. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

(1) General Descriptions of the land, building, Units, parking facilities, recreational facilities and amenities:

GENERAL DESCRIPTION OF THE LAND

The Condominium is located in the Bay Ridge section of the Borough of Brooklyn, County of Kings, City and State of New York. The land is located at 368 & 372 92nd Street, Brooklyn, New York. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Property is presently designated as Block 6103, Lots 27 & 28 on the Tax Map of the City of New York for the Borough of Brooklyn, County of Kings. The individual Condominium Units will be designated as a Condominium series of lot numbers by the City of New York whereby each Condominium will have and be known as an individual tax lot number.

The Property is located in an R6B zone, which permits residential use, as designated on Map 16d of the NYC Zoning Resolution of the City of New York. The building plans have been approved by Department of Buildings.

The prior use of the property was a residential building. The buildings were purchased by Sponsor vacant.

The building is a Quality Housing Project which consists of four components: neighborhood impact, building interior, recreation space and planning and safety and security. The building is in compliance with Quality Housing requirements as per plans submitted and approved by the New York City Department of Buildings. There are no specific restrictions or requirements imposed by the Quality Housing Program imposed on Unit Owners. The Quality Housing Program is a set of zoning regulations that intend to maintain the existing character of neighborhoods by giving incentives to developers with higher building floor areas. The Quality Housing Program is a set of zoning regulations that intend to maintain the existing character of neighborhoods by giving incentives to developers with potentially higher building floor areas.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other Units and servicing such Unit Owner's Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment by such Unit Owner's Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Units or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units. The Board of Managers, its agents and employees shall have a right of access to the Units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

GENERAL DESCRIPTION OF THE BUILDING

There will be two (2) newly constructed buildings. The buildings will consist of a cellar, first, second and attic floor and a total of four (4) Residential Condominium Units. There is no elevator in Condominium Building.

The structure is of non-combustible construction. The class of construction is Class IIIA as per Table 601 of the 2022 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of one hour. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of one hour.

The building is under construction and will be completed as described in "Description of Property, Specifications and Building Condition" in Part II of the Plan. The building will be constructed in accordance with all applicable zoning and building laws, regulations, codes and other requirements including requirements of the New York City Building Code and applicable zoning requirements. Prospective Purchasers may examine the building

plans filed with the New York City Department of Buildings at the Sponsor's office or the Building Department. The building plans have been filed and approved by the New York City Department of Buildings.

While Units are being offered for sale or lease by the Sponsor or its designees, there will be a greater number of visitors to the building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate.

Construction timetable – Construction work is in progress as of the date of this offering. Substantial completion is anticipated in August 2025 and the first closing will be on or about January 1, 2026. At the present time, the construction of the subject premises has been commenced and is in the process of construction.

While Units are being offered for sale or lease by the Sponsor or its designees, there will be a greater number of visitors to the building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. Furthermore, because Sponsor and the by-laws of the condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the FCO.

It is Sponsor's obligation to maintain sufficient funds in order to obtain a permanent certificate of occupancy. Sponsor is required to maintain all deposits and funds in any special escrow account required by *General Business Law, section 352-e(2-b)* unless the sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the sponsor's engineer, architect or other qualified expert may be released from any special escrow account.

Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;

Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;

Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and

Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element;

There are no side or front yards.

The cellars in each of the two buildings each contain a mechanical room and electrical room. The mechanical room and electrical room in the cellars are common element.

The building with the address of 368 92nd Street, contains the mechanical room and electrical room which service Unit 1A and Unit 2A. Unit 1A contains the mechanical room and electrical room in the building with the address of 368 92nd Street. The owner of Unit 2A or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2A has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 368 92nd Street. The owner of Unit 2A will have a key to the door to enter into the cellar. The owner of Unit 2A has full unfettered access to enter into Unit 1A through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2A is permitted to access the mechanical room and electrical room as required.

The building with the address of 372 92nd Street, contains the mechanical room and electrical room which service Unit 1B and Unit 2B. Unit 1B contains the mechanical room and electrical room in the building with the address of 372 92nd Street. The owner of Unit 2B or its personnel have full access to this space and since there is no partition between the common area and the cellar accessory space, they have full access to such accessory space and the first floor unit of another unit owner. The owner of Unit 2B has access to the mechanical room and electrical room through an exterior staircase leading to steps to the cellar of the building with the address 372 92nd Street. The owner of Unit 2B will have a key to the door to enter into the cellar. The owner of Unit 2B has full unfettered access to enter into Unit 1B through the exterior staircase, to access the mechanical room and electrical room, as necessary. The Unit Owner and its personnel to service the mechanical equipment for Unit 2B is permitted to access the mechanical room and electrical room as required.

GENERAL DESCRIPTION OF THE PARKING FACILITIES

There are four (4) parking space units available at the Condominium which will be available for sale to the residential condominium unit owners on a first come, first serve basis. Purchasers acquiring a parking space will acquire title in fee simple title.

Parking spaces may only be used for the storage of passenger motor vehicles, but only with a written permit therefor when required by local law and in accordance with every applicable local law, ordinance, resolution, code provision or regulation and with the following provisions:

> Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling or dwellings to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon. See N.Y. Mult. Dwell Law § 60.

Parking Spaces may not be used to repair or work on any vehicle.

Parking spaces may only be used for the parking of currently registered passenger automobiles, all of which must be validly registered with the Department of Motor Vehicles of any State of the United States of America. Parking Spaces may not be used to repair or work on any vehicle. All Parking Unit owners, including Sponsor in its role as an unsold Parking Unit owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage areas for the Parking Units, and (ii) the payment of any maintenance fees, license fees and/or Special Assessments imposed by the Condominium Board related to the Parking Units.

There are no handicapped parking spaces at the Condominium. Having no handicapped parking spaces is in accordance with applicable law and regulations, as no handicapped parking spaces are required by applicable law and regulations.

GENERAL DESCRIPTION OF THE UNITS

The Sponsor hereby offers for sale four (4) Residential Condominium Units which will be offered for sale in two (2) newly constructed buildings.

The four (4) Residential Condominium Units for sale are located on the cellar, first, second and attic floor.

The condominium will contain:
Two (2) – two (2) bedroom Condominium Units;
Two (2) – three (3) bedroom Condominium Units.
It is anticipated that all of the Units contained in the Condominium will be completed in or about August 2025 and the first closing will occur in January 1, 2026.

None of the residential units offered in the offering plan have been occupied at any time on or after the date of submission of the offering plan to the Department of Law. 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.

UNIT DESCRIPTIONS

Residential Condominium Units:

Unit 1A is located on the cellar and first floor and will consist of two (2) bedrooms with two and three (3) baths, living / dining area, kitchen, laundry closet (washer and dryer is not included in the purchase price), and accessory cellar area. Unit 1A will contain approximately 1,026 sq. ft. on the cellar floor and approximately 1,056 sq.ft. on the first floor for a total of approximately 2,082 sq.ft. Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element and two (2) areaways in the cellar measuring approximately 10 sq. ft. each as limited common element.

Unit 1B is located on the cellar and first floor and will consist of three (3) bedrooms with three (3) baths, living / dining area, kitchen, laundry closet (washer and dryer is not included in the purchase price). Unit 1B will contain approximately 1,077 sq. ft. on the cellar floor and approximately 1,107 sq. ft. on the first floor , for a total of approximately 2,184 sq.ft. Unit 1B has two (2) areaways in the cellar measuring approximately 10 sq. ft. each as limited common element.

Unit 2A is located on the first, second, and attic floor and will consist of two (2) bedrooms with three (3) baths, living / dining area, kitchen, laundry closet (washer and dryer is not included in the purchase price). Unit 2A will contain approximately 45 sq. ft. on the first floor, approximately 1,100 sq.ft. on the second floor and approximately 415 sq.ft. on the attic floor for a total of approximately 1,560 sq.ft. Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element.

Unit 2B is located on the first, second, and attic floor and will consist of three (3) bedrooms with three (3) baths, living / dining area, kitchen, laundry closet (washer and dryer is not included in the purchase price). Unit 2B will contain approximately 45 sq. ft. on the first floor, approximately 1,151 sq.ft. on the second floor and approximately 623 sq.ft. on the attic floor for a total of approximately 1,819 sq.ft. Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.

The roof terrace that will be limited common element for Units 2A and 2B will not be stated on the certificate of occupancy. Terraces are not listed on certificates of occupancy by the New York City Department of Buildings. Notwithstanding the foregoing, the Purchaser of Units 2A and 2B will be legally be permited to

use this roof area without an amendment to the Certificate of Occupancy. The owner of Units 2A and 2B will be responsible for maintaining, repairing and replacing the roof area which is the limited common element. Proposed maintenance, repair, or replacement of the limited common element roof areas will require the board's prior review and consent of all aspects of the work to be performed including on the limited common element roof areas, without limitation, approval of contractor(s), insurance, etc.

Purchasers are advised to review the floor plans in the Description of Property, which must conform to the aforesaid descriptions.

It is anticipated that all of the Units contained in the Condominium will be completed in or about August 2025 and the first closing will occur in January 1, 2026.

A summary description of the Units offered for sale under this Plan is set forth in **"Introduction"** and **"Schedule A"**. Floor Plans for the Units are set forth in "Condominium Floor Plans" in Part II of the Plan. Purchasers are advised to review the floor plans in the Description of Property, which must conform to the aforesaid descriptions.

The legal description of the Units, the Common Elements and the Limited Common Elements is set forth in the Declaration in Part II of the Plan and is summarized in **"Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws"** in Part I of the Plan.

Limited Common Elements

There are Limited Common Elements associated with certain Units:

a. Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;
b. Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;
c. Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and
d. Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.

There are areas of the roof which are designated to be unobstructed space for firefighting operations as per the New York City Fire Code Section 504.4.2.

(2) Major Fixtures or Equipment Not Included in Offering Price and Amenities

The Sponsor will provide an electric range, refrigerator, dishwasher and heating and air conditioning equipment in each Unit. One air conditioning unit will be furnished in each Unit. The Sponsor will not provide a clothes washer and clothes dryer in each condominium unit. Sponsor will provide a hook-up for a domestic, stackable type clothes washer and electric clothes dryer units in each condominium unit. It is the Sponsor's and principal's obligation to procure a Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy. Sponsor will be able to procure the Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy with the appliances provided by Sponsor. There are no amenities provided by Sponsor.

(3) Property to Comply with All Laws.

The property will be improved and the Units constructed in accordance with all applicable zoning and building laws, requirements and specify the laws and regulations that apply.

(4) Property to Comply with All Laws and Certificate of Occupancy to be Obtained by Sponsor.

It is anticipated that the construction of the all Units will be substantially completed in August 2025. Sponsor intends to convey title to the Unit Purchasers on or about January 1, 2026.

It should be noted by Purchasers that the closing of individual Units under the Plan may occur prior to obtaining a Permanent Certificate of Occupancy for the Building. If only a temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor and its principals' sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such Permanent Certificate of Occupancy.

The closing of individual Units may occur prior to the Sponsor obtaining a permanent Certificate of Occupancy for the Building. If only a Temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy.

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a Temporary Certificate of Occupancy ("TCO") covering such units has been issued. Sponsor will send closing notices for units covered by TCO's and purchasers will be required to close with a TCO rather than with a permanent Certificate of Occupancy in place. TCO's are issued for three (3) months at a time.

The NYC Department of Buildings advises purchasers to houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent or final Certificate of Occupancy. It is strongly recommended that buyers consult the "DOB Website / Consumer Tips" for its recommendation when buying units in a building that does not have a Final Certificate of Occupancy.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. Furthermore, because Sponsor and the by-laws of the condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf".

New York City Local Law 97 is not applicable to the condominium as the buildings contain less than 25,000 gross square feet of floor area.

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D. LOCATION AND AREA INFORMATION

Location

The Property is located on 92nd Street between 3rd Avenue and 4th Avenue, in the Bay Ridge section of the Borough of Brooklyn, County of Kings, City and State of New York.

The surrounding areas and neighborhood is composed primarily of single family, multi-family detached and semi-detached residences and commercial stores and offices. The surrounding areas are residential with concentrated areas of retail and commercial properties. The properties adjacent to and to the north, east, south and west of the Condominium are all residential and commercial properties.

There are no projects developed by the Sponsor within the immediate vicinity (i.e. one block radius from the Condominium). There are no development projects by Sponsor that have been approved by the New York City Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the property. Any change in this information that occurs while sales are continuing must be disclosed in an amendment within 30 days after the information becomes known to the Sponsor.

Transportation

The "D", "N" and "R" subway lines stop at 4th Avenue, located approximately one block from the Condominium. The B103 bus lines run along 4th Avenue, within walking distance from the condominium.

Shopping

There is local shopping area located within walking distance from the Condominium.

Recreational Facilities

Prospect Park is located at Prospect Park West and Prospect Park Southwest, Brooklyn, New York approximately 1 mile from the Condominium.

Medical Facilities

New York Presbyterian Brooklyn Methodist Hospital is located at 506 6th Street, Brooklyn, New York, approximately ½ mile from the Condominium.

Religious

There are various denominational houses of worship located within walking distance from the Condominium.

Educational Facilities

Numerous private schools, public schools and parochial schools on the elementary, middle school and high school levels as well as colleges and universities are located within close proximity of the Condominium Building. Residing at the condominium does not guarantee acceptance or admittance to any nearby educational facilities.

Police, Fire, Water, Sanitation. Snow Removal and Road Maintenance Services

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance Services are provided by the City of New York.

Police Department

The 78th Police Precinct is located at 65 6th Avenue, Brooklyn, New York approximately 1 mile from the Condominium.

Fire Department

NYC Fire Department Engine 220/Ladder 122 is located at 530 11th Street, Brooklyn, New York approximately 1 mile from the Condominium.

Sanitation

Sanitation services and rubbish is picked up by the New York City Sanitation Department. Unit Owners are required to place rubbish in trash receptacles outside of the Condominium for pickup by the Sanitation Department for pick up. The City of New York will remove snow and maintain the roads in the street in front of the Condominium.

Zoning

The Property is located in a R6B zone, which permits residential use, as designated on Map 16d of the 1961 Zoning Resolution of the City of New York. The New York City Zoning Resolution as per Section 22-12 permits Use Group 2 Residential Uses as-of-right for the Residential Condominium Units.

The zoning district permits residential use.

The building is a Quality Housing Project which consists of four components: neighborhood impact, building interior, recreation space and planning and safety and security. The building is in compliance with Quality Housing requirements as per plans submitted and approved by the New York City Department of Buildings.

Options to Acquire Adjacent Areas

Neither the Sponsor nor the Sponsor's principals own, in whole or in part, or have an option or right to acquire, in whole or in part, any adjacent areas to the Condominium premises.

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E. Offering Prices of Units and Related Information

Schedule A - Unit Prices
Estimated Individual Expenses For The
The 368 & 372 92nd Street Condominium
For the Period January 1, 2026 through December 31, 2026

11/17/2025

		(i)	(ii)	(ii)			(ii)	(ii)	(ii)	(ii)	(iii)	(iv)	(v)	(vi)	(vi)	(vi)
Unit #	**Location**	**Bedrooms / Bathrooms**	**Square Footage of Unit - Main Floor (sq.ft.)**	**Cellar Accessory Space (sq.ft.)**	**Attic Floor (sq.ft.)**	**Entry (sq.ft.)**	**Areaway - Limited Common Element (sq.ft.)**	**Porch - Limited Common Element (sq.ft.)**	**Roof - Limited Common Element (sq.ft.)**	**Total Square Footage of Unit**	**Offering Price**	**Percentage of Common Interest**	**Estimate of Monthly Common Charges**	**Projected Monthly Real Estate Taxes for the Period 1/1/2026-12/31/2026**	**Projected Annual Real Estate Taxes for the Period 1/1/2026-12/31/2026**	**Estimated Total Monthly Carrying Costs 1/1/2026-12/31/2026**
1A	Cellar and First Floors	2 Bedrooms / 3 Bathrooms	1,056.00	1,026.00			20.00	115.00	-	2,082.00	$ 1,259,000	29.00%	$608.30	$723.71	$8,684.56	$1,332.01
1B	First Floor, Second Floor, and Attic	3 Bedrooms / 3 Bathrooms	1,107.00	1,077.00			20.00	-	-	2,184.00	$ 1,249,000	19.00%	$398.54	$474.16	$5,689.88	$872.70
2A	Cellar and First Floors	2 Bedrooms / 3 Bathrooms	1,100.00	-	415.00	45.00	-	-	303.00	1,560.00	$ 1,289,000	29.00%	$608.30	$723.71	$8,684.56	$1,332.01
2B	First Floor, Second Floor, and Attic	3 Bedrooms / 3 Bathrooms	1,151.00	-	623.00	45.00	-	-	155.00	1,819.00	$ 1,299,000	19.00%	$398.54	$474.16	$5,689.88	$872.70
P1	First Floor	Parking Space	153.00	-			-	-	-	153.00	$ 50,000	1.00%	$20.98	$24.96	$299.47	$45.93
P2	First Floor	Parking Space	153.00	-			-	-	-	153.00	$ 50,000	1.00%	$20.98	$24.96	$299.47	$45.93
P3	First Floor	Parking Space	153.00	-			-	-	-	153.00	$ 50,000	1.00%	$20.98	$24.96	$299.47	$45.93
P4	First Floor	Parking Space	153.00	-			-	-	-	153.00	$ 50,000	1.00%	$20.98	$24.96	$299.47	$45.93
TOTAL			5,026.00	2,103.00			40.00	115.00	458.00	8,257.00	$ 5,296,000	100.00%	$2,097.58	$2,495.56	$29,946.75	$4,593.15

Cellar, Accessory Rooms, Balconies and Roof Terraces are uninhabitable space. The Cellar, Accessory Rooms, Balconies and Roof Terraces may NOT be legally used as a bedroom or living room and that to do so may result in a building code violation being issued for the building.

FOOTNOTES TO SCHEDULE A

The amounts set forth on Schedule A are projected based on the assumption that the First Year of Condominium Operations will be the year from January 1, 2026 through December 31, 2026. The actual First Year of Condominium Operations may begin earlier or later than the projected date.

NOTE: ROOF TERRACES, BALCONIES, AND ACCESSORY SPACES INCLUDING THE CELLAR MAY NOT BE USED AS A BEDROOM OR LIVING ROOM AND THAT TO DO SO MAY RESULT IN A BUILDING CODE VIOLATION BEING ISSUED FOR THE BUILDING. THE CELLAR SPACE MAY NOT BE LEGALLY USED AS A BEDROOM OR LIVING ROOM AND THAT TO DO SO MAY RESULT IN A BUILDING CODE VIOLATION BEING ISSUED FOR THE BUILDING. The cellar space has less light and air than ordinary living spaces and it is more susceptible to dampness.

(i) The method of calculating the number of rooms is based on the New York City Department of Buildings determination of rooms. The number of bedrooms and baths is as set forth on the building plans approved by the New York City Department of Buildings. For more details regarding the rooms within the Units, please consult the Floor Plans in Part II, Section "II". A change in the area of a Unit of 5% or less will not affect a Purchaser's obligation unless such change is determined to be a material change. There is a rebuttable presumption that an area that is increased or decreased by 5% or less is not material. **Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.** There are areas of the roof which are designated to be unobstructed space for firefighting operations as per the New York City Fire Code Section 504.4.2. These areas may not be used for recreational purposes unless the certificate of occupancy is amended. These areas may not be converted for recreational purposes.

(ii) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation within reasonable tolerances of the square foot area and layout of the Unit in question. Any material changes will be set forth in an amendment to the Offering Plan, and no material change will be made in the size (ex. a decrease), configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within the Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least fifteen days, to rescind their Agreement and receive a refund of their deposit, together with all interest, if any, earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission unless it is a material change. For more details regarding the actual size of the Units, please consult the Floor Plans in Part II, Section "II".

All square footage measurements listed are approximate within reasonable tolerances, and were obtained by using the method customarily used in New York City to measure Condominium apartments. The approximate floor area of each Condominium Unit is measured as follows: (a) horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces) and (b) vertically from the top of the rough floor to the underside of the rough ceiling. The square footage of each Unit listed on Schedule A significantly exceeds the actual usable floor area. The square footage of each unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the condominium unit is significantly less than listed on Schedule A of this offering plan. The square footage set forth in the offering plan exceeds the actual usable floor area of the Unit.

(iii) No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in the offering price does not constitute a general offering, but is rather the result of an individual negotiated purchase. Purchasers of similar Units may pay different prices for their respective Units. (See Part I, Section "I(1)" – Changes in Prices and Units).

Part I, Section "P" of the Offering Plan states the estimated closing costs and adjustments, which must be borne by Purchasers in addition to the sale prices set forth. Purchasers are advised to consult with their attorneys as to the exact closing costs that they will incur in purchasing their Condominium Unit.

(iv) The percentage of Common Interest for each of the Units has been calculated in accordance with Section 339-i(l)(iv) of the Condominium Act based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Condominium Unit. The size of the Unit, the location of the Unit and other Limited Common Elements are factors which have been considered in determining the percentage of common interest of each Unit.

(v) The amount stated represents the sum of projected monthly common charges for the first year of operation based on the Condominium budget set forth on Schedule B.

The Purchase Agreement is not contingent upon a purchaser obtaining a mortgage loan.

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

Purchaser may obtain financing, however, the Purchase Agreement is not contingent upon the Purchaser obtaining mortgage financing. The Sponsor is not offering or procuring mortgage financing for the Purchaser(s). If the Purchaser(s) obtains financing (even though the Purchase Agreement is not contingent upon the Purchaser obtaining financing), the Purchaser's debt service will be an additional expense. The projected carry charges do not include certain costs for which the Unit Owner is responsible such as repairs to the interior of the Unit, separately metered electricity, heat, air conditioning and cable television service.

Unless there is a financing contingency provided for in the Purchase Agreement, any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. See "Procedure to Purchase", Part I, Section "K" of this Plan.

A copy of the Purchase Agreement is annexed hereto as Section "FF".

If Purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to Closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor will grant Purchaser a right of rescission and fifteen (15) days to rescind the Purchase Agreement. 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 loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right.

The condominium may be eligible for FHA loan certification, however, at this time, the Sponsor has not sought project certification from the United States Federal Housing Administration.

The Sponsor is not offering or procuring mortgage financing for the Purchaser(s). If the Purchaser(s) obtains financing, the Purchaser's debt service will be an additional expense. **The projected carry charges do not include certain costs for which the Unit Owner is responsible such as repairs to the interior of the Unit, separately metered electricity, heat, air conditioning and cable television service.**

Each Unit owner will pay for electricity based on a separately metered domestic utility costs for electricity including for air conditioning, lighting and power,cooking and hot water production, and for clothing dryers (which clothing dryers are not included in the purchase price of a condominium unit).

If Unit Owners obtain cable television services, the costs of cable television service are additional costs to the Unit Owner.

See Schedule "B-1" in this Offering Plan which sets forth the individual carrying costs for utilities.

(vi) With regard to projected real estate taxes, 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. The projected real estate taxes for the first year of operation contained in Schedule A are based on an estimate of the assessment of the building before construction is complete. The real estate tax projections set forth on Schedule A are based on the anticipated assessment prior to a re-assessment of the property post-construction. Purchasers should be aware that the real estate taxes may increase materially when the building is assessed after construction is complete and such assessment may be greater than the estimate set forth above (See Schedule A). Carrying costs are calculated by adding the monthly common charges and the monthly projected real estate taxes together.

It is the opinion of Rosen Law LLC that a Residential Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest for interest on loans up to $750,000 and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers of up to $10,000 (including total real estate taxes and other state and local taxes), subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in the future due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the 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 the real property.

Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt) (up to a total indebtedness of $750,000) and amounts in excess of these limitations would not be deductible. In addition, Residential Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should discuss the Alternative Minimum Tax ("AMT") with their accountant to understand the impact by AMT on their deductions.

Tax deductions may vary in future years due to changes in the interest rate on the unit owner's mortgage, changes in the allocation of constant debt service payments to interest and principal, 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.

Sponsor's tax expert is Sponsor's counsel.

Note that Sponsor's Counsel, Gary Rosen, Esq., is the (i) tax expert and author of the tax expert opinion letter; (ii) Schedule B budget expert and author of the budget certification; (iii) Schedule B-1 budget expert and author of the Schedule B-1 expert opinion letter; (iv) author of the Real Property Law Section 339-I opinion letter; and (v) author of the legal opinion letter included in this offering plan. Gary Rosen, Esq. is a licensed real estate broker in the State of New York whose license number is 10491207349 which expires on May 30, 2027. Gary Rosen, Esq. has managed at least three condominium developments for over five years and was responsible for the creation of and management of the condominium budgets and payments. Further relevant real estate experience, qualifications, and licenses include development of residential condominium developments, apartments, and commercial real estate. Gary Rosen, Esq. has a BBA in Banking Finance and Investments and a juris doctor degree. Gary Rosen, Esq. is admitted to practice law in the States of New York, New Jersey, Pennsylvania, Florida and Georgia. Gary Rosen, Esq. has

prepared condominium budgets for more than 25 offering plans based on his aforementioned experiences. Purchasers are advised to consult with their own attorneys and expert regarding the matters described herein.

Based on an opinion letter dated April 11, 2025 from Gary Rosen, Esq., Rosen Law, LLC, 216 Lakeville Road, Great Neck, New York 11020, the real estate tax projections are as follows:

It is anticipated that on or about January 5, 2026, the New York City Department of Finance will reassess the real property based on a completed building. Upon reassessment, it is anticipated that the real estate taxes for the condominium building will be as follows:

A. The real estate taxes for the condominium building for the period July 1, 2025 through June 30, 2026 are anticipated to be $9,681, which is based on the Notice of Property Value dated January 15, 2025 issued by the New York City Department of Finance for the condominium property for the period July 1, 2025 through June 30, 2026.

B. It is anticipated that the assessed valuation for the Condominium Building for the 2026/2027 (July 1, 2026 through June 30, 2027) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2026 through June 30, 2026.

C. It is anticipated that the assessed valuation for the Condominium Building for the 2027/2028 (July 1, 2027 through June 30, 2028) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2027 through June 30, 2027.

D. Based on the anticipated actual real estate taxes for the condominium building (i) for the period January 1, 2026 through June 30, 2026, the estimated real estate taxes for the said six month period is anticipated to be $4,841, and (ii) for the period July 1, 2026 through December 31, 2026, the estimated real estate taxes for the said six month period is anticipated to be $25,106.

E. The real estate taxes anticipated for the condominium's first year of operations is $29,947.

The post-closing amendment to this Plan will state the amount of taxes paid by the Sponsor and the period covered.

If the condominium units have been apportioned prior to the first closing, then, in that event, each unit owner will be responsible for the payment of the real estate taxes on their unit commencing on the date of the Closing.

If the condominium units have not been separately assessed as of the first closing, the Sponsor will pay the real estate taxes through a period which is no less than six months from the date of the first closing. At each closing that occurs during that tax year, a unit owner will reimburse the Sponsor a proportionate share of the real estate taxes based on the unit's percentage of common interest.

The approximate date of completion of the Condominium Building will be in August 2025.

See "Real Estate Taxes" in Part I, Section "U" of this Plan.

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The estimated real estate taxes for each condominium unit for the first year of condominium operations are anticipated to be as follows:

Unit #	Estimate of Monthly Real Estate Taxes - 1/1/2026-12/31/2026	Estimate of Annual Real Estate Taxes - 1/1/2026-12/31/2026
1A	$723.71	$8,684.56
1B	$474.16	$5,689.88
2A	$723.71	$8,684.56
2B	$474.16	$5,689.88
P1	$24.96	$299.47
P2	$24.96	$299.47
P3	$24.96	$299.47
P4	$24.96	$299.47
	$2,495.56	$29,946.75

TOTAL ANTICIPATED REAL ESTATE TAXES JANUARY 1, 2026 THROUGH DECEMBER 31, 2026 ARE $29,946.75.

NO WARRANTY, GUARANTY OR ASSURANCE IS GIVEN AS TO:

(i) Any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuations, tax rates or tax amounts during the First Year of Condominium Operations, the estimates of the portions of such assessed valuations that will be allocable to the Condominium Units and the projections of the average real estate tax rate will be in effect during such first or subsequent year of Condominium Operation and/or the rate of construction progress of the Condominium Building;

(ii) The figures or methods that the New York City Department of Finance will use to allocate the Property's aggregate assessed valuation between the Units, or the New York City Department of Finance will allocate the aggregate assessed valuation attributable to the Units among the different Units as described in this Offering Plan; or

(iii) The accuracy of any of the projections or estimates made in this Offering Plan and in Schedule A;

All of the projections or estimates contained in this offering plan are the result of good faith efforts and due diligence by the experts and not just speculation.

<u>Tax Implications of the Condominium and Unit Owners.</u>

Purchasers are advised to review the Sponsor's Opinion of Counsel, Part I, Section "W-1" and "W-2" of this Offering Plan which discusses the tax implications of the Condominium association.

All of the projections or estimates contained in this offering plan are the result of good faith efforts and due diligence by the experts and not just speculation.

Sponsor makes no projections of income tax deductions for real estate taxes or mortgage interest expenses, and Sponsor recommends that Purchasers rely only on their own tax professional for advice as to projecting or anticipating income tax deductions for real estate taxes or mortgage interest expenses associated with the purchase of a Condominium Unit. The Sponsor is not offering or procuring mortgage financing for the Purchaser(s). Purchaser may obtain financing, however, the Purchase Agreement is not contingent upon the Purchaser obtaining mortgage financing.

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F. BUDGET FOR FIRST YEAR OF OPERATION

SCHEDULE B
ANTICIPATED FIRST YEAR OF OPERATIONS
JANUARY 1, 2026 THROUGH DECEMBER 31, 2026

Projected Income:	
(i) Common Charges	$25,171
Total Projected Income	$25,171
Projected Expenses:	
(ii) Labor	$2,960
(iii) Heating Costs	$0
(iv) Electric Utilities	$2,244
(v) Water Charges / Sewer Rents	$4,162
(vi) Repairs, Maintenance and Supplies	$1,000
(vii) Service Contracts	$3,305
(viii) Insurance	$5,500
(ix) Management Fees	$0
(x) Legal Fees and Audit Fees	$2,500
(xi) Miscellaneous Expenses	$0
(xii) Contingency Fund	$500
(xiii) Reserve Fund	$3,000
Total Disbursements	$25,171

If the actual or anticipated date of commencement of condominium operation is to be delayed more than six (6) months from the budget year projected in the Offering Plan, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, the Sponsor must offer all purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or down payment to purchasers who rescind within a reasonable period of time not to exceed fifteen (15) days. Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

FOOTNOTES TO SCHEDULE B

The projections set forth in footnotes (i) through (xiii) of this Schedule B, were made by Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020, whose qualifications are set forth in the CERTIFICATION BY SPONSOR'S EXPERT CONCERNING THE OF ADEQUACY OF OPERATING BUDGET.

Amounts are projected on the assumption that the First Year of Condominium Operations will be the twelve month period January 1, 2026 through December 31, 2026. The actual First Year of Condominium Operations may be earlier or later than the aforesaid twelve month period. If the actual or anticipated date of commencement of condominium operation is to be delayed more than six (6) months from the budget year projected in the Offering Plan, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, the Sponsor must offer all purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or down payment to purchasers who rescind within a reasonable period of time not to exceed fifteen (15) days. Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

Purchasers should note that even if the first closing occurs on or before January 1, 2026 (or such other date projected as the date of commencement of the operation at the time the purchase agreement was entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBLITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

The Sponsor expects the first closing of a unit to occur on or about January 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than December 31, 2026, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor.

However, if the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

Note that Sponsor's Counsel, Gary Rosen, Esq., is the (i) tax expert and author of the tax expert opinion letter; (ii) Schedule B budget expert and author of the budget certification; (iii) Schedule B-1 budget expert and author of the Schedule B-1 expert opinion letter; (iv) author of the Real Property Law Section 339-I opinion letter; and (v) author of the legal opinion letter included in this offering plan. Gary Rosen, Esq. is a licensed real estate broker in the

State of New York whose license number is 10491207349 which expires on May 30, 2027. Gary Rosen, Esq. has managed at least three condominium developments for over five years and was responsible for the creation of and management of the condominium budgets and payments. Further relevant real estate experience, qualifications, and licenses include development of residential condominium developments, apartments, and commercial real estate. Gary Rosen, Esq. has a BBA in Banking Finance and Investments and a juris doctor degree. Gary Rosen, Esq. is admitted to practice law in the States of New York, New Jersey, Pennsylvania, Florida and Georgia. Gary Rosen, Esq. has prepared condominium budgets for more than 25 offering plans based on his aforementioned experiences. Purchasers are advised to consult with their own attorneys and expert regarding the matters described herein.

(i) Common Charges - $24,427

The Common Charges are equal to the estimates of income and operating expenses been made by the Sponsor based upon the operation of comparable developments in the City of New York. It cannot be construed as an assurance of the final expenses and is merely based upon information available at this time.

(ii) Labor - $2,960

The budget items for Payroll and Related Expenses is based on the following level of staffing:

One part time superintendent ("the labor staff") comprises the labor that will be employed by the Condominium. The employee will not be a union member.

Prior to the end of the Sponsor Control Period, Sponsor may hire a janitorial service to provide janitorial services to the condominium in lieu of the Board of Managers hiring its own employee to provide janitorial services to the condominium. The cost of the janitorial service will not exceed the costs of $2,960 set forth in this budget item. If the Board of Managers hires a janitorial service to provide janitorial services to the condominium, the Sponsor will file an amendment to this Plan. After the end of the Sponsor Control Period, the Unit Owner controlled board of managers will decide whether to have a superintendent or janitorial service and will determine the terms of such employment.

The part time superintendent will be responsible for performing all work required for the normal maintenance of the Condominium, such as cleaning the common elements, landscaping and snow removal in common areas. The part time superintendent will be responsible for trimming shrubs and cleaning the landscaped areas.

The Board of Managers shall be responsible for hiring any appropriate repair service and to ensure that such service will make any emergency repairs to the Common Elements in the event that the part time superintendent cannot make any necessary repairs.

The level of staffing complies with all applicable housing and labor laws. Sponsor will file a post-closing amendment which will identify the name of the superintendent and the location where the superintendent resides. The labor costs set forth herein, include benefits required by local, state or federal law or required by contract such as workers' compensation, disability insurance, welfare and pension contributions by employers, unemployment insurance and payroll taxes.

It is projected that the salary, wages, expenses and benefits for the labor staff will be as follows:

ONE PART TIME SUPERINTENDENT

Salary (Part Time Superintendent - 2 hours per week x 52 weeks x $25 / hour)	$2,600.00
Workers Compensation Insurance @ 3.42% of applicable wages	$88.92
FICA @ 6.20% of applicable wages	$161.20
Medicare @ 1.45% of applicable wages	$37.70
NYS Unemployment Insurance @ 7.40% of applicable wages	$20.80

Federal Unemployment Insurance @ 0.80% of applicable wages	$15.60
NYS Disability Insurance @ approximately $35.40 per employee	$35.40
Total Salary and Benefits for one Part Time Superintendent	$2,959.62

The budget for labor reflects current wage rates and payroll tax rates applicable for the budgeted year, and reasonably anticipated increases for the first year of operation of the condominium.

The wages set forth herein meet state minimum wage laws.

In the event that the Board determines that additional labor is required in the future, common charges will be increased to cover the increased costs of labor.

The payroll taxes and benefits include FICA, Federal and New York State unemployment insurance, workers' compensation, disability insurance, holiday and vacation pay.

The projected expenses for wages, salaries, benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in comparable Building.

The basis for the projected labor costs is based on upon the experience of Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020 on April 11, 2025, having prepared actual budgets for other condominiums.

The superintendent is not obligated to live in the building, and New York City Housing Laws which requires that a superintendent live within 200 feet of the condominium building or that a janitorial service provide services to the Condominium on a 24 hour per day / 7 days per week basis does not apply because the condominium only consists of four (4) condominum units.

Sponsor will file a post-closing amendment which will identify the name of the part time superintendent and the location where the superintendent resides **(See Part I, Section "F(ii)")**.

The superintendent is not required to reside in or within 200 feet of the condominium to comply with New York City law. New York State's Multiple Dwelling Law §83 requires that "whenever there are 13 or more families occupying any multiple dwelling and the owner does not reside therein, there shall be a janitor, housekeeper or some other person responsible on behalf of the owner who shall reside in said dwelling, or within a dwelling located within a distance of 200 feet from said dwelling…". As this condominium contains four (4) condominium units, New York State's Multiple Dwelling Law §83 does not apply.

The labor costs set forth herein, include benefits required by local, state or federal law or required by contract such as workers' compensation, disability insurance, welfare and pension contributions by employers, unemployment insurance and payroll taxes.

The Board of Managers shall be responsible for hiring any appropriate repair service and to ensure that such service will make any emergency repairs to the Common Elements in the event that the part time superintendent cannot make any necessary repairs.

(iii) Heating and domestic hot water costs (utility costs) - $0

None. There will be no gas service in the Condominium Building.

See Schedule B-1 for electricity costs for each individual Unit for heating and hot water production costs.

(iv) Electric Utility Costs – $2,244

Electricity will be used for lighting and power. The projected cost per kilowatt hour of electricity is $0.34 per kilowatt hour inclusive of sales tax for energy to provide lighting and power for the Building. The cost of electric is based upon Consolidated Edison Rate Schedule 1.

There is no air conditioning in the common areas.

Power for air conditioning, lighting and power, and for clothing washers and dryers (clothing washers and dryers are not included in the purchase price of a condominium unit) in individual Units is provided by electricity. There will be separate electric meters for each condominium Unit to measure electricity usage by each Unit Owner and each Unit Owner will be responsible for arranging for electricity service and for paying for all electricity from the local electric service provider. At the present time, Con Edison is the provider of electricity to the Condominium Building.

There will be one (1) common electric meter for electricity usage for the common areas of the condominium to be paid by the condominium as a common expense through common charges. The common electric meter will meter electricity consumed for public interior lighting, exterior lighting, fans and pumps.

The basis for the projected consumption and projected unit cost for utilities are based on electricity usage and costs for similarly situated buildings to the Condominium Building.

It is anticipated that the Condominium will utilize approximately 6,000 kilowatt hours per year of electricity at a rate of approximately $0.34 per kilowatt hour for a total price of $2,040. The total sum of $2,040 has been increased by $204 (ten percent increase) for anticipated inflation. The figure of $0.34 per kilowatt hour is inclusive of 8.875% sales tax for a total budget sum of $2,244.

The cost of electricity for public lighting is based upon 24 hours of operation per day for interior lighting and 12 hours of operation per day for exterior lighting.

In view of the current energy situation, it is not possible to predict whether the budgeted figure will reflect the annual cost to be incurred during the first year of condominium operation, which will vary with the level of consumption and the cost of the utility. Electricity is generated by the utility company by means of fuel oil as primary energy source. If the cost of oil used to generate electricity increases, it is likely that electricity rates will increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity resulting from the foregoing during the first year of condominium operation.

The utility costs, for the purposes of this budget have been increased by ten percent (10%) to reasonably anticipate an increase in utility costs. Taxes are included.

See Schedule B-1 for electricity costs for each individual Unit.

(v) Water Meter / Sewer Charges - $4,162

Water and sewers are provided by the City of New York. The annual water and sewer charge for 100 cubic feet of water (100 cubic feet of water is equal to approximately 748 gallons) is approximately $12.61 per cubic foot of water.

There will be one (1) water meter to measure water consumed by all Condominium units. The cost for water and sewer charges will be a common expense and paid by Unit Owners through the payment of their Common Charges.

The above figures are based upon construction complying with the New York State Energy Conservation Construction Code. Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operating conditions, as well as thermostat settings. These figures are not intended to be a

guaranty. Although it is believed that the foregoing is accurate, no warranty is made to what the actual costs may be.

The basis for the projected consumption and projected unit cost for utilities are based on water usages and costs for similarly situated buildings to the Condominium Building. The budgeted figure has been estimated based upon estimated annual water and sewer charges published by the New York City Bureau of Water & Energy Conservation, similar charges for buildings with approximately the same number Units and in accordance with rates currently in effect in New York City.

300 CCF of water is assumed to be utilized by Unit Owners @ $12.61 for a total anticipated cost of $3,783.

The budgeted sum of the estimated cost of water and sewer charges includes usage and sales tax includes a ten percent (10%) inflation factor has been added for budgeting purposes.

(vi) Repairs, Maintenance and Supplies - $1,000

Common repairs and maintenance costs, included in this budget, include roofing, exterior repairs (including walls, foundations, windows, doors and locks), plumbing outside of the individual condominium Unit, electrical work outside of the individual condominium unit, exterminating outside of the individual condominium Unit, grounds maintenance (snow removal, gardening and landscaping (excluding trimming shrubs and cleaning the landscaped areas which is included as part of the part time superintendant's duties), janitorial supplies outside of the individual condominium Unit, painting of common areas.

It is anticipated that the Repairs, Maintenance and Supplies expense will be as follows:

a. Interior repairs - $200;
b. Roofing - $0;
c. Exterior repairs - $100;
d. Heating system - $0;
e. Plumbing - $0;
f. Electrical work - $0;
g. Exterminating - $200;
h. Grounds maintenance (snow removal, gardening and landscaping, where applicable) - $200;
i. Janitor supplies - $200;
j. Painting of common areas - $0; and
k. Other expenses - $100.

Costs to be incurred by individual Unit Owners, include but are not limited to Unit interior repairs, individual Unit heating, hot water, plumbing inside of the individual condominium Unit, electrical work inside of the individual condominium Unit, exterminating inside of the individual condominium Unit, cleaning inside of the individual condominium Unit and painting inside of the individual condominium Unit.

The budgeted figure for repairs, maintenance and supplies does not include improvements and repairs to, maintenance of, or supplies for individual Units and certain Limited Common Elements (see Special Risks, Part I). Each individual Unit Owner is responsible for improvements and repairs to, maintenance of, and supplies for such Unit Owner's Unit and certain Limited Common Elements irrevocably restricted to his use.

The estimate includes maintenance of and repairs to all Common Elements and certain Limited Common Elements of the Property. Based upon the experience of Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020, having prepared actual budgets for other condominiums, he has determined that the sum of $1,000.00 is adequate for costs that the condominium can expect to incur during the first year of operation.

(vii) Service Contracts - $3,305

No maintenance or service contracts have been entered into as of the date of this Plan. However, it is projected that the Board of Managers will enter into maintenance agreements for the following services, the cost of which will be shared by all Unit Owners based on Common Interest:

It is estimated that the condominium will incur the following charges during the first year of condominium operation:

Fire Sprinkler alarm monitoring service – $2,700

There will be a fire alarm central office monitoring service for the fire sprinkler system in the condominium buildings. Sponsor anticipates entering into a contract with IRL Systems, Inc., 132 Battery Avenue, Brooklyn, New York 11209 for fire sprinkler alarm monitoring services. The anticipated annual costs are $2,700 for the fire alarm central office monitoring service, plus monthly Fire Department of the City of New York terminal assignment fees which will be $18.75 per month plus tax, which is for the pull alarm, smoke alarm, carbon monoxide alarm and waterflow alarm zones and the contract will be signed upon the first year of operations and will expire twelve months thereafter. The fire alarm central office monitoring service will be for the monitoring of the fire alarm system.

Fire Sprinkler alarm annual inspections – $605

The fire alarm system will require two – semiannual inspections per year to comply with New York City codes. Sponsor anticipates engaging IRL Systems, Inc., 132 Battery Avenue, Brooklyn, New York 11209 for the services. The cost for the two – semiannual inspections for all of the condominium buildings will be approximately $550.00. The fire sprinkler alarm annual inspection service will be for the inspection of the fire sprinkler system.

Sponsor has included a 10% inflation factor.

The plan will be amended to disclose any service contracts that may be entered into by the Sponsor, if any.

(viii) Insurance - $5,500

At the first closing of the sale of a condominium unit, the condominium will have, fire and casualty insurance under an agreed amount replacement cost policy or under a policy including at least an 80 percent coinsurance provision so that the insured shall not be a co-insurer.

The items covered and the coverage amount limits, deductibles and the exposures insured against are as follows:

Property Insurance:
Replacement Cost Insured Value - $3,000,000;
Business Income – Actual Loss
Deductible - $2,500;

Commercial General Liability Insurance:
Premises Liability - $1,000,000 per occurrence / $2,000,000 aggregate
Medical Payments - $5,000 per person
Products / Completed Operations - $2,000,000 aggregate
Personal and Advertising Injury - $1,000,000 per occurrence
Directors and Officers Liability - $1,000,000 aggregate

If the Board of Managers desires to obtain Directors and Officers Liability Insurance, it is anticipated that the cost will be approximately $750 per year.

The coverage amount limit stated above for casualty insurance is based on full replacement value and should be sufficient to avoid the effects of co-insurance. Excess liability coverage is not included. The insurance policies shall provide that (i) each Unit Owner is an additional insured; (ii) there will be no cancellation without notice to the

Condominium Board and Unit Owners; (iii) the right to subrogation against Unit Owners is waived; (iv) the defense of invalidity because of acts of the insured and Unit Owners is waived; and (v) the defense of pro-rata reduction in liability is waived if Unit Owners obtain additional coverage. All of the above coverage including the public liability insurance will be in place on or before the closing of the first Unit in the Condominium.

The following items are not included in the condominium budget and are applicable to this offering:

a. Officers' and directors' liability;
b. Rent insurance;
c. Water damage;
d. Boiler and machinery;
e. Excess liability;
f. Auto liability;
g. Fidelity bond and
h. Garage keeper's liability.

Insurance coverage for the foregoing items may be available at an extra cost to the condominium.

No coverage is provided for fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In. addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

Unit owners are advised that they should obtain additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the unit or on Limited Common Elements.

THE RATES REFLECTED ABOVE ARE THOSE IN EFFECT AS OF THE DATE OF THE OFFERING PLAN. BECAUSE OF THE VOLATILITY OF THE INSURANCE MARKET IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUMS WILL CONTINUE TO INCREASE OR WILL LEVEL OFF. NO REPRESENTATION IS MADE REGARDING THE ACTUAL COST OF INSURANCE AT THE TIME OF THE COMMENCEMENT OF THE BUDGET.

The condominium will have public liability insurance at closing.

Insurance coverage meets the requirements of any mortgage lender procured by the Sponsor.

(ix) Management Fees - $0

The Condominium will be self-managed. The Board of Managers will be responsible for maintenance, decorations, repairs, cure violations, oversee service and maintenance contracts, purchase supplies, obtain insurance, pay bills, arrange moving in and out of units, billing and collections, attend to complaints, maintain accounting records, provide monthly statements, maintain books and records, assist in an annual audit and report, prepare a proposed budget, prepare Board of Managers or Unit Owner notices, and assist in correcting the assessed valuation of units. The Board of Managers will also be responsible for cleaning and maintaining the sidewalks in front of the Building, cleaning and maintaining the Common Elements, and bag and put out refuse on curb side for pick up in accordance with the schedule provided by the Department of Sanitation. While Sponsor controls the Board of Managers, Sponsor shall manage the building at no cost. Common Charges will increase if the Condominium retains a managing agent in the future.

The Board of Managers will be responsible for, among others:

a. Bill and collect Common Charges, maintenance charges, Assessments (if any), special Assessments (if any) and special charges (if any) from Unit Owners;

b. Establish and maintain bank accounts on behalf of the Condominium Board of Managers;

c. Disburse funds from the bank accounts of the Condominium Board of Managers;

d. Prepare and distribute annual reports to all Unit Owners within five (5) months after the end of each Fiscal Year;

e. Keep and maintain books and records for the Condominium Board of Managers in accordance with generally accepted accounting principles;

f. Execute and file tax returns and any instruments required of an employer under the Federal Insurance Contributions Act ("FICA"), the Federal Unemployment Tax Act, the United States Internal Revenue Code of 1986 and the Federal Income Tax Act and the filing of any similar state and local instruments;

g. Schedule and hold meetings of the Board of Managers of the Condominium including the preparation of and mailing of notices of meetings in accordance with the provisions of the Condominium Instruments and the Condominium Act;

h. Suggest amendments to the Rules and Regulations for the use and occupancy of the Condominium Units and Common Elements;

i. Maintain a complete roster of Unit Owners including names and mailing addresses;

j. Maintain records including financial books and records sufficient to identify the source of all funds collected by Manager and disbursement of funds;

k. Retain and employ attorneys, accountants and other professionals and experts whose services are required to effectively perform the management services;

l. Obtain and maintain all licenses and permits required to be obtained by the Condominium;

m. Operate the Condominium in compliance with the terms and conditions of the Condominium Instruments and with the requirements of any insurance carrier and any covenants and restrictions on the property;

n. Purchase (at the cost of the Unit Owners) and maintain inventories of consumable items used in the administration or operation of the Condominium, including but not limited to cleaning materials, stationery and similar items;

o. Investigate, or have others investigate, all accidents, estimate the cost to repair any damage or destruction to the Common Elements, and make written reports to the Board of Managers, as to all claims for damages relating to the Ownership, operation and maintenance of the Common Elements as the claims shall become known to Manager;

p. Prepare all reports required by any insurance company;

q. Engage third parties as required to provide services that are necessary or desirable for the operation and maintenance of the Common Elements of the Condominium;

r. Employ personnel consistent with the budget approved by the Board of Managers for the delivery of the management services (including the hiring of vendors and third parties);

s. Hire, terminate and promote personnel and hire and terminate vendors or third parties providing personnel;

t. Make periodic physical inspections of the Common Elements and render reports and recommendations to the Board of Managers;

u. Have the right to enter any of the Units as necessary, without prior notice, for emergency repairs to prevent damage to the Condominium building, any Unit or any element of the Common Elements, and for the purpose of abating any unlawful or prohibited activity (provided that except in cases involving manifest danger to the public safety or property, Manager shall make a reasonable effort to give notice to the Unit owner of any Unit to be entered into for such purposes);

v. Cause the Common Elements to be maintained, repaired and replaced in accordance with the Condominium Instruments; and

w. Procure and keep in full force all insurance and bonds required to be procured and maintained by the Condominium.

If the Board hires a management company to perform the aforestated services, the prevailing price for the management services is approximately $3,000 per year, subject to increases.

(x) Legal Fees and Audit Fees - $2,500

The sum of $500.00 has been included in the budget which reflects the estimated cost of retaining an attorney to advise the Board of Managers on legal issues that may arise in connection with the Condominium's normal business operations. The amount reflected does not cover extraordinary costs or expenses for additional services rendered or costs incurred to conduct litigation on behalf of the Condominium. The budgeted sum is to be used by the Board of Managers elected by Unit Owners when consulting with an attorney of their choice to review contracts, collect delinquent common charges, or general legal advice with regard to the Condominium. The attorney for the condominium's normal business operations has not been determined. The condominium board of managers will decide the attorney to hire for the condominium's normal business operations in the future.

The basis for the projected legal fee costs is based on upon the experience of Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020 on April 11, 2025, having prepared actual budgets for other condominiums

The sum of $2,000.00 has been included in the budget which reflects the estimated cost of retaining an accountant to prepare a year-end financial statement and federal and state tax returns for the first calendar year of condominium operation. The estimate is based upon the fee quotation provided to the Sponsor by Steven J. Mauceri CPA, 31 Amherst Street, Brooklyn, New York 11235. The fee of $2,000.00 is the maximum that will be charged to the condominium for the preparation of a certified financial statement while the Sponsor in control of the Board of Managers, and this sum is guaranteed by the Sponsor as long as the Sponsor is in control of the Board of Managers. In the event that the actual costs exceed $2,000.00 while the Sponsor is in control of the Board of Managers, then the Sponsor shall be responsible for any accounting fees exceeding the $2,000.00 as quoted by the Certified Public Accountant herein.

(xi) Miscellaneous Expenses - $0

There are no other expenses anticipated and no budget amount included for any other expenses such as employer association dues, building telephone, license fees, registration and municipal permits, provision for income taxes and any other taxes payable by the condominium or miscellaneous expenses.

(xii) Contingency Fund - $500

The budget amount for contingency fund is intended to provide funds for emergency repairs, unanticipated expenses or unanticipated increases in the projected expenses of the condominium.

The basis for the projected contingency fund is based on upon the experience of Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020 on April 11, 2025, having prepared actual budgets for other condominiums.

The contingency fund is for any unanticipated regular operating expenses for the Condominium. The reserve fund is for capital improvements and capital expenditures for the Condominium.

(xiii) Reserve Fund - $3,000

The reserve fund will be funded by each purchaser through payment of this monthly common charges. The Reserve Fund shall be used for capital expenditures. Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five (5) years following the Closing Date should such capital expenditures be needed.

While the Sponsor is in control of the Board of Managers, the Reserve Fund or Working Capital Fund may not be used to reduce projected common charges in the Offering Plan.

The basis for the projected reserve fund is based on upon the experience of Gary Rosen, licensed real estate broker, 216 Lakeville Road, Great Neck, New York 11020 on April 11, 2025, having prepared actual budgets for other condominiums.

Neither the New York State Department of Law nor any other governmental agency has passed upon the adequacy of the Reserve Fund. (See Part I, Section "X").

The contingency fund is for any unanticipated regular operating expenses for the Condominium. The reserve fund is for capital improvements and capital expenditures for the Condominium.

Miscellaneous Notes:

Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment, concessionaire and other agreements and to enter into new agreements that will be binding on the Board of Managers upon commencement of condominium operations. All such modifications, renewals and replacements thereto will be reflected in an amendment to this plan if they materially alter statements made herein. Sponsor may take the actions specified herein during the Sponsor control period.

IN THE OPINION OF GARY ROSEN, LICENSED REAL ESTATE BROKER, 216 LAKEVILLE ROAD, GREAT NECK, NEW YORK 11020, (SEE OPINION LETTER, PART I, SECTION "H", WHICH SETS FORTH ALL OF THE QUALIFICATIONS OF GARY ROSEN), THE FOREGOING ESTIMATED COMMON CHARGES ARE SUFFICIENT TO PAY THE PROJECTED OPERATING EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE TWELVE MONTH PERIOD COMMENCING JANUARY 1, 2026. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME OR EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE AND BUDGET, AND IT IS POSSIBLE THAT THE ACTUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

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G. BUDGET FOR INDIVIDUAL ENERGY COSTS - SCHEDULE B-1

ESTIMATED ANNUAL OPERATING COSTS FOR THE FIRST YEAR OF OPERATION OF THE CONDOMINIUM – JANUARY 1, 2026 THROUGH DECEMBER 31, 2026
BUDGET FOR INDIVIDUAL ENERGY COSTS
(A 10% INFLATION FACTOR HAS BEEN INCLUDED IN THE ESTIMATED ANNUAL OPERATING COSTS SET FORTH BELOW)

SCHEDULE B-1

	Kilowatts	Est. Cost	Electric	Inflation	Total
UNIT	per year	Per Kilowatt	Cost / Year	Factor 10%	Utility Costs (Est.)
1A	25,000	$0.34	$8,500.00	$850.00	$9,350.00
1B	15,000	$0.34	$5,100.00	$510.00	$5,610.00
2A	25,000	$0.34	$8,500.00	$850.00	$9,350.00
2B	15,000	$0.34	$5,100.00	$510.00	$5,610.00

Footnotes to Schedule B-1

1. The estimated cost for electric is based upon each Unit being equipped for air conditioning, lighting and power, and miscellaneous household appliances. The projected cost per kilowatt of electricity is $0.34 per kilowatt inclusive of sales tax plus a ten percent increase for any reasonably anticipated increases.

2. The basis for the projected consumption and projected unit cost for utilities are based on electricity usage and costs for similarly situated buildings to the Condominium Building. It is not possible to predict whether the estimated annual cost for each Unit will reflect the actual cost which will vary with the level of consumption of each Unit Owner.

Hot water is produced by electricity and the costs for hot water production are included in the electricity costs set forth herein.

3. Heating costs are estimated for each Unit based upon maintaining the inside temperature at 72 degrees Fahrenheit when the outside temperature is 13 degrees Fahrenheit for 5,350 degree days with a Heat Loss factor of 30 BTU/hr/sqft.

4. Cooling of the residential units are achieved by the cooling cycle of ductless, mini-split hvac systems. Electricity costs for air conditioning be paid to the utility company by each unit owner for their own unit. The cooling systems shall be designed to provide sufficient cooling to maintain inside conditions of 78 degrees fahrenheit and 50% relative humidity when the outside conditions are 88 degrees fahrenheit dry bulb and 72 degrees wet bulb (in accordance with asfrae, 2001 fundamentals handbook, climatic design information, table 1b, for new york city, jfk airport). Indoor design temperatures will be in accordance with the new york state energy conservation construction code. All exterior metals, including fasteners shall be corrosion resistant;

5. The utility usage calculations are premised on each apartment with a 4 burner range and oven with use of 2 full load hours per day for 365 days per year; air conditioning used for 935 full load hours for the cooling season of May through October; lighting using 2 watts per square foot for general lighting and appliances @ 200 hours per month; water usage of 200 gallons per day per apartment. Actual Costs will vary depending on weather conditions, quality of construction and the habits of the Unit occupants. Costs for water are included in the Condominium Budget and will be paid by Unit Owners through common charges.

6. In view of the fact that these averages may include the use of energy by persons of varying need, with different standards of comfort, or with families of different sizes, the amount of energy used by the Purchaser

may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity substantially higher than the current or projected rate.

7. Although the Sponsor is under obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of electricity after the purchase of a Unit or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at the optimum efficiency and at the lowest costs.

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H. COMPLIANCE WITH REAL PROPERTY LAW § 339-i

Gary Rosen
Licensed Real Estate Broker
216 Lakeville Road,
Great Neck, New York 11020
516-437-3400

April 11, 2025

New York State Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005

Re: THE 368 & 372 92ND STREET CONDOMINIUM

Gentlemen:

I am a licensed real estate broker and have been engaged in sales and management of Condominium developments for over ten years.

I have reviewed the allocation of common interests as shown on the Schedule A to be included in the Condominium Offering Plan for the subject project. The common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York. The allocation utilizes the measurements and calculations of square footage by the project architect.

The allocation of common interests is as follows:
Unit 1A – 29%
Unit 1B – 19%
Unit 2A – 29%
Unit 2B – 19%
P1 (Parking Space) – 1%
P2 (Parking Space) – 1%
P3 (Parking Space) – 1%
P4 (Parking Space) – 1%

I hereby authorize inclusion of this opinion in the Offering Plan for The 368 & 372 92nd Street Condominium to be filed with the Department of Law.

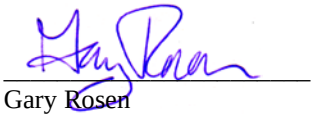
It is hereby disclosed that Gary Rosen, providing this opinion letter is the same person providing the attorney opinion letter in the condominium offering plan for The 368 & 372 92nd Street Condominium.

I certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this certification is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering.

Very truly yours,

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on April 11, 2025



Gary Rosen

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Michael J. Noonan, Esq. (Admitted NY)
Joseph G. Noonan, Esq. (Admitted NY, IL)

April 11, 2025

New York State Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005

Re: THE 368 & 372 92ND STREET CONDOMINIUM

Gentlemen:

I am the attorney for Sponsor, 368 Dev LLC with regard to the condominium offering plan for The 368 & 372 92nd Street Condominium.

I have reviewed the opinion letter dated April 11, 2025 prepared by Gary Rosen, Licensed Real Estate Broker. I hereby adopt the findings of said letter with regard to the allocation of common interests as shown on the Schedule A to be included in the Condominium Offering Plan for the subject project and such opinion letter complies with Section 339-i(1) of the Real Property Law of the State of New York.

I find that the common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York. The allocation utilizes the measurements and calculations of square footage by the project architect.

It is hereby disclosed that Gary Rosen, providing this opinion letter is the same person providing the real estate broker opinion letter in the condominium offering plan for The 368 & 372 92nd Street Condominium.

I certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this certification is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering.

Very truly yours,

Gary Rosen

H-1. PARKING SPACE CONDOMINIUM UNITS.

There are four (4) parking space units available at the Condominium which will be available for sale to the residential condominium unit owners on a first come, first serve basis. Purchasers acquiring a parking space will acquire title in fee simple title.

Parking spaces may only be used for the storage of passenger motor vehicles, but only with a written permit therefor when required by local law and in accordance with every applicable local law, ordinance, resolution, code provision or regulation and with the following provisions:

> Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling or dwellings to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon. See N.Y. Mult. Dwell Law § 60

Parking Spaces may not be used to repair or work on any vehicle.

All Parking Unit owners, including Sponsor in its role as an unsold Parking Unit owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage areas for the Parking Units, and (ii) the payment of any maintenance fees, license fees and/or Special Assessments imposed by the Condominium Board related to the Parking Units

There are no handicapped parking spaces at the Condominium. Having no handicapped parking spaces is in accordance with applicable law and regulations, as no handicapped parking spaces are required by applicable law and regulations.

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I. CHANGES IN PRICES AND UNITS

(1) The Offering Prices set forth in Schedule "A" must be changed by duly filed amendment to the Plan when the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. The Offering Prices set forth in Schedule A and other terms of payment (but not other terms of sale) with respect to a particular Unit are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee. 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. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder, and no Agreement will be modified to waive any of the Purchaser's rights or abrogating any of Sponsor's obligations, under this Plan or Article 23-A of the New York General Business Law.

(2) No change 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. A change in the area of a Unit of 5% or less will not affect a Purchaser's obligation unless such change is determined to be a material change. There is a rebuttable presumption that an area that is increased or decreased by 5% or less is not material.

(3) 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 the Sponsor for that Unit and the purchaser is not in default.

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

In order to meet the possible varying demand for number any type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (ii) change the layout of, or number of rooms in, any Unsold Unit; (iii) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interest, provided however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Units upon the consent of all unit owners and purchasers. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements (provided that all Purchasers consent to any material change in the size and for any material change in the quality of the Common Elements) shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units. In addition, none of the foregoing changes, including any material adverse change in size, layout or Common Interest of a Unit or in the amount or quality of Limited Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement has been mutually executed and delivered and the Purchaser thereunder is not in default, unless: (a) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with

Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the Purchaser is offered the right in such amendment, for at least fifteen days, to rescind his or her Agreement and receive a refund of the Deposit, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission; or (b) such change is not a material adverse change in the size, dimension or floor space or layout of such Unit, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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J. INTERIM LEASES

PRIOR TO THE CONSUMMATION OF THE PLAN, THE SPONSOR MAY ONLY RENT A UNIT IN CONTRACT TO THE PURCHASER IN CONTRACT FOR THAT UNIT UNDER AN INTERIM LEASE.

(1) Sponsor may rent a Unit to a contract-vendee that is vacant (i) before the Plan has been consummated, (ii) before the closing or (iii) after the Plan has been consummated. The Purchaser shall pay common charges from the date of possession by Purchaser under an Interim Lease, and any unpaid common charges, if any, for the period from the date of possession of the Condominium Unit to the date of closing will be payable to Sponsor by Purchaser on the date of closing, together with any other payments required under this Plan. (A copy of the Interim Lease form is set forth in Part II, Section "PP" of this Plan). The Interim Lease provides that:

The lease will terminate on the happening of the earlier of the following:
a. Closing of title from Sponsor to Purchaser; or
b. Default by Purchaser.

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

Prior to the first closing, the entire building will be insured by the Sponsor; after the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. Thus, the risk of loss cannot, as a practical matter, be passed on to a person in possession. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

Interim lessee will pay rent for the interim lease period.

(2) Interim lessees will not be afforded any rights under Rent Stabilization Laws or any applicable laws afforded to Tenants in this State, and leases will state that tenant acknowledges the same. As the offering plan and the Interim Leases do not provide tenant protections required by law, such as certain protections from eviction, harassment or unconscionable rent increases, prior to the condominium plan having been consummated, the Sponsor may not rent any units to any non-contract-vendees without invalidating the offering plan. If the Sponsor rents units prior to the condominium plan having been consummated, the building may be declared as a rental building and therefore, this offering plan would be invalid and the Sponsor would have to submit a new offering plan to sell condominium units under 13 NYCRR Part 23 which is an offering plan to convert existing residential rental property to condominium status.

(3) An uncured default under the Purchase Agreement is a default under the lease and an uncured default under the lease is a default under the Purchase Agreement. An uncured default under the lease can result in a default under the Purchase Agreement, however before the Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. Sponsor must provide a Purchaser with a written demand for payment after default at least thirty (30) days before forfeiture of the Down Payment may be declared.

(4) An interim lessee has to vacate the Unit after a default under the Purchase Agreement or rescission of the Purchase Agreement by the lessee within thirty days.

(5) All of the Units offered in this Plan are vacant. If a Unit is leased through an Interim Lease, it will be delivered vacant at closing to the Purchaser although possibly previously occupied (if a unit has been rented by the Sponsor after the first closing of a Unit to a Purchaser).

A form of the Interim Lease is set forth in Part II, Section "PP" of this Plan.

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K. PROCEDURE TO PURCHASE

The form of the Purchase Agreement is contained in Part II, Section "FF". Prospective Purchasers will be required to execute two (2) Purchase Agreements in substantially such form (which may be modified by Purchaser's attorney if modifications are agreed to by Sponsor). The Purchase Amendment may be executed in multiple counterparts, all of which, taken together, shall constitute one original document. The Purchase Agreement shall be deemed effective against a party upon receipt by the other party (or its counsel) of a counterpart executed as a copy or pdf (portable document format) by electronic transmission or via facsimile. The Purchase Agreement will not be binding upon the Sponsor until the Purchase Agreement signed by the Purchaser(s), and the down payment check as required hereunder is delivered to Seller's attorneys and a copy of the Purchase Agreement is executed by the Sponsor and delivered to the Purchaser or Purchaser's counsel.

The Purchase Agreement and Offering Plan may not contain, or be modified to contain a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

The Purchase Agreement requires that the Purchaser acknowledge and agree to keep all of the terms and conditions of the Purchase Agreement confidential and that Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, architect/engineers, accountants, lenders, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Purchaser of the parties undertaking of confidentiality contained in the Purchase Agreement. Any failure by Purchaser to keep the terms and conditions of the Purchase Agreement confidential shall be a default by Purchaser entitling Sponsor to the default remedies set forth in the Purchase Agreement.

The following are important provisions contained in the Purchase Agreement:

(1) Down payment

The amount or the percentage of the deposit shall be ten percent (10%) of the offering price.

(2) Purchase Agreement.

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

The Purchase Agreement requires Purchaser to represent to Sponsor the real estate broker, if any, which Purchaser had dealt with in connection with the purchase of a condominium unit. Purchaser agrees that should any claim be made against Sponsor for Commissions by any broker, other than the broker named in the Purchase Agreement, on account of any acts of Purchaser or Purchaser's representative, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees if sponsor is the prevailing party.

Force Majeure. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Purchaser's time to perform its obligations under the purchase agreement also may be tolled during the tolling period, and the sponsor cannot limit any rights which the purchaser may have pursuant to Art. 23A of the GBL, NYCRR regulations, and the offering plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order and that Purchaser may be entitled to. Purchaser's time to perform its obligations may also be tolled.

(3) No Financing Contingency.

The Purchase Agreement is not contingent upon a purchaser obtaining a mortgage loan.

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

Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

Purchaser may obtain financing, however, the Purchase Agreement is not contingent upon the Purchaser obtaining mortgage financing. The Sponsor is not offering or procuring mortgage financing for the Purchaser(s). If the Purchaser(s) obtains financing (even though the Purchase Agreement is not contingent upon the Purchaser obtaining financing), the Purchaser's debt service will be an additional expense. The projected carry charges do not include certain costs for which the Unit Owner is responsible such as repairs to the interior of the Unit, separately metered electricity, heat, air conditioning and cable television service.

Unless there is a financing contingency provided for in the Purchase Agreement, any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. See "Procedure to Purchase", Part I, Section "K" of this Plan.

A copy of the Purchase Agreement is annexed hereto as Section "FF".

If Purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to Closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor will grant Purchaser a right of rescission and fifteen (15) days to rescind the Purchase Agreement. 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 loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right.

The condominium may be eligible for FHA loan certification, however, at this time, the Sponsor has not sought project certification from the United States Federal Housing Administration.

(4) Time Limitation For Sponsor To Accept Or Reject Purchase Agreement.

A Purchaser may not know if the Sponsor has accepted the Purchase Agreement for at up to thirty (30) days from the date when Sponsor receives a fully executed Purchase Agreement from Purchaser. Sponsor will either accept a Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or reject the Purchase Agreement offer and refund the Down Payment tendered within thirty (30) days after delivery by Purchaser of an executed Purchase Agreement together with the required Down Payment. In the event Sponsor fails to elect to accept or reject within the stated thirty (30) day period, Sponsor will be deemed to have rejected same and Purchaser shall be entitled to a prompt return of the deposit within five (5) business days after such 30-day period.

(5) Statutory Requirement

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

(6) Escrow

The Escrow Agent:

Sylvester J. Sichenze, Esq., with an address at 7703 5th Avenue, Brooklyn, New York 11209, telephone number 718-680-0400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Sylvester J. Sichenze, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing. Sylvester J. Sichenze, Esq. is the Sponsor's attorney, representing the Sponsor in connection with the Purchase Agreements and closings as well as being the Escrow Agent. The simultaneous representation of the Sponsor and acting as the Escrow Agent will not affect the attorney's ability to carry out his obligations as escrow agent and the dual-role by Sylvester J. Sichenze, Esq. will not result in any conflict of interest. The escrow account is named the Sylvester Sichenze, Esq., Client Funds Account.

The Escrow Account:

All funds received by the Sponsor for extras must initially be placed in an escrow account. However, Purchasers shall note as a special risk that such funds may be released from the escrow account by the escrow agent as long as the Sponsor use the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for extras unless the plan is not consummated.

Down Payments are anticipated to be deposited by Sylvester J. Sichenze, Esq., ("Escrow Agent") with TD Bank, 8206 5th Avenue, Brooklyn, New York 11209 ("Escrow Bank") in the account entitled Sylvester Sichenze, Esq., Client Funds Account. All Down Payments will be placed initially in a non-interest bearing checking portion of the Sylvester Sichenze, Esq., Client Funds Account. Subject to the conditions discussed in this paragraph, in accordance with regulations of the Federal Deposit Insurance Corporation ("FDIC"), and pursuant to the terms of the Dodd-Frank Wall Street Reform Act, as amended (the "Dodd-Frank Act"), as of the date of this Plan deposits at Escrow Bank in a Purchaser's name are anticipated to be covered by FDIC insurance to a maximum of $250,000.00. Purchasers are advised that while the Down Payment is in the non-interest bearing checking portion of the Sylvester Sichenze, Esq., Client Funds Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000, because the entire checking portion of the Sylvester Sichenze, Esq., Client Funds Account is only insured up to $250,000 and until the Purchaser's funds are transferred to a sub-account for the Purchaser, the Sylvester Sichenze, Esq., Client Funds Account may contain more than $250,000 in funds which may result in only a portion of the Purchaser's down payment being insured. Subject to the foregoing, Sponsor is advised that the FDIC advises consumers that for purpose of computing insurance coverage, all deposits in a party's name in a banking institution are added together and insured to a maximum of $250,000, in the aggregate. Accrued interest through the date of a financial institution's failure also is included when calculating insurance coverage. Thus, if a Purchaser already has or opens an account at Escrow Bank in the same name in which the Down Payment is deposited, and should the Escrow Bank fail and the FDIC insurance be called upon, the funds in that account will be aggregated with the Down Payment and insured to a maximum of $250,000. The FDIC further advises consumers that a depositor cannot increase FDIC insurance coverage by dividing funds owned in the same ownership category among different accounts in the same name. No representation is made by Escrow Agent or Sponsor regarding any further amendment of the Dodd-Frank Act after the date of this Plan or that the FDIC will insure depositor's funds, if and when called upon to do so. Neither Escrow Agent nor Sponsor will incur any liability whatsoever under this Plan or otherwise if the FDIC, when and if called upon, fails or refuses to insure the Down Payment (or any other funds maintained by Purchaser in Escrow Bank) or if the FDIC insures only a portion thereof.

In the event that the Plan is abandoned, unit upgrade funds will be returned to the Purchaser within thirty (30) days.

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 the Purchase Agreement or the performance or non-performance of Escrow Agent's duties under the 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 the 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.

Escrow Agent shall be discharged of Escrow Agent's obligations by:

a. The release of the deposit and interest (if any) held by Escrow Agent at Closing, with the Down payment being paid to Sponsor and the interest being paid to Purchaser;
b. The deposit by Escrow Agent of the Down payment with a court of competent jurisdiction if there is a dispute by Purchaser and Sponsor as to the disposition of the Down payment;
c. By the written agreement signed by Sponsor and Purchaser directing the payment of the Down payment and such Down payment is disbursed by Escrow Agreement in accordance with such agreement; or
d. By order of a court of competent jurisdiction.

Escrow Agent who is an attorney is not precluded to represent the Sponsor in any lawsuit or litigation involving the Sponsor and Purchaser, as the Escrow Agent may represent the Sponsor in any action, including any action against or by a Purchaser against Sponsor.

There is no compensation being paid by Sponsor or to Sponsor by the depository bank in which the escrowed funds are to be maintained by Escrow Agent.

Sponsor shall and does indemnity the Escrow Agent as set forth above, and Sponsor shall pay costs related to the indemnification, 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.

Sponsor is not compensating the Escrow Agent for his services as Escrow Agent. Sponsor may pay Escrow Agent for legal services provided by Escrow Agent, as the attorney for Sponsor.

Sponsor's attorney regarding sales and closings while simultaneously being the escrow agent will not affect the attorney's ability to carry out his obligations as escrow agent; such dual-role will not create any conflict of interest.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Section "FF" in Part II of the Plan. The relevant escrow trust fund provisions are included in Article "11" of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With 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 terms of the Purchase Agreement.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 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.

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

Release of Funds:

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

(b) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law. In the event that the Plan is abandoned, unit upgrade funds will be returned to the Purchaser within thirty (30) days.

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

Waiver Void:

Any provision 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.

Exhibits to Plan. Copies of the forms provided by the bank for opening the escrow account and the escrow agreement as proposed has been filed with the New York State Department of Law with Sponsor's exhibits to the Offering Plan submission. Upon first deposit, a copy of the escrow agreement as executed and a copy of the bank forms as executed

will be submitted by the Sponsor to the New York Department of Law as a supplement to the previously submitted exhibits filed with the New York Department of Law.

Records on file. The escrow agent shall maintain all records concerning the escrow account for seven years after 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 one of them or by the successor firm and shall notify the Department of Law of such transfer.

Review and audit. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Trust obligation of Sponsor. 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 Section 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.

Transition. All funds required to be held pursuant to GBL sections 352-e(2-b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within 60 days thereafter.

Sylvester J. Sichenze, Esq., the Escrow Agent is also the Sponsor's closing attorney.

(7) Alternative Security.

Pursuant to 13 NYCRR §20.3(o)(4), if Sponsor subsequently decides to use an alternative to the escrow account it will make an application to the Attorney General and disclose same in an amendment to the Offering Plan prior to such use. The New York State Department of Law must approve the application for alternate security.

Where alternate security as provided under a filed Offering Plan is no longer needed by the Sponsor, or new or additional alternate security cannot be obtained by a Sponsor or its successor, Sponsor shall submit an amendment for filing which provides that any future purchase deposits or down payments shall be held in the escrow account in accordance with 13 NYCRR 20.3(o)(3). Such amendment shall not affect the Sponsor's obligation to account for funds previously released to the Sponsor unless the funds representing all such deposits or down payments are restored to the escrow account.

If sponsor's application for alternate security is approved by the Department of Law, the terms of such alternate security shall be disclosed in an amendment to the plan promptly submitted.

(8) Compliance with Lien Law Section 71-a(3).

Because this Offering Plan provides for the construction of residential condominium units, the Purchase Agreement and the Plan must comply with Section 71-a (3) of the Lien Law.

Section 71-a (3) of the Lien Law provides the following:

> (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential Condominium Unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depository where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential Condominium Unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

"YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

(9) Specific Performance of the Purchase Agreement.

Sponsor may seek specific performance of the Purchase Agreement, requiring Purchaser to close and purchase the Condominium Unit for which Purchaser has executed a Purchase Agreement. Specific performance means that the Sponsor may file a lawsuit against a Purchaser to compel a purchaser to close on the purchase of the condominium unit.

(10) Purchase Agreement May Be Made Time of the Essence.

The Sponsor may elect to make the Purchase Agreement and its terms to be “time is of the essence”. Purchaser may adjourn the closing date which is set forth in the Purchase Agreement one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may forfeit his or her Down Payment. In the event Purchaser fails to close title on the designated date and Purchaser seeks a 15 day adjournment which shall be time of the essence, then (a) Purchaser shall Pay Sponsor interest at the rate of 10.95% per annum on the entire amount of the purchase price computed from the original Closing Date until this transaction is actually closed and (b) all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date. Any penalty charged will not exceed New York State usury limits. Purchasers will be required to pay an additional fee of $500.00 to Sponsor’s closing attorneys if Purchaser does not close title to his or her Unit on the date stated in the Notice of Closing because such Purchaser has not complied with the terms of the executed Purchase Agreement, or if the Purchaser's lender requires the closing to be at a place other than that indicated in the Notice of Closing. Sponsor must provide a Purchaser with a written demand for payment after default at least 30 days before forfeiture of the Down Payment may be declared.

(11) Closing Date.

After the Plan has been declared effective the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date. Such notice will be served in compliance with Section 20.3(d)(1) of 13 NYCRR 20.3 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 the Plan or in an amendment thereto. Sponsor is providing Purchaser the opportunity to waive the thirty (30) day notice provision for closing, but is not requiring Purchaser to waive such notice.

The Sponsor expects the first closing of a unit to occur on or about January 1, 2026. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor.

However, if the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

Sponsor is contractually required to complete its construction obligations. Even during the Sponsor Control Period, the Board of Managers may take any legal action required to compel the Sponsor to complete its construction obligations.

(12) Date of Expected First Closing.

The Sponsor expects the first closing of a unit to occur on or about January 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than December 31, 2026, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor

If the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

In the event that Purchaser does not close on the adjourned date, Purchaser may forfeit his or her Down Payment. Sponsor must make written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared. 13 NYCRR 20.3(o)(13). In the event Purchaser fails to close title on the designated date all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default. **(see Part I, Section "P"(ix)).**

(13) Sponsor Must Make Written Demand Before Declaring Default.

Sponsor must make a written demand for payment for default at least thirty (30) days before a default or forfeiture of the deposit may be declared.

(14) Unit Power of Attorney.

Each Unit Purchaser will be required to sign a power of attorney to the Board of Managers of the Condominium on the date of delivery of the deed. Sponsor will not close with any Purchaser who refuses to sign a power of attorney and reserves the right to rescind the Purchase Agreement by returning the full down payment. The Power of Attorney provides the following powers to the Board of Managers of the Condominium: (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer assign or lease the same, upon such terms and conditions as shall be approved by a majority of Unit Owners, (b) to acquire any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same pursuant to Article "13" of the Declaration of Condominium, (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote, the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate.

(15) Purchaser's Right To Rescind The Purchase Agreement.

Purchasers shall be afforded not fewer than three business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

(16) Risk of Loss.

Prior to the first closing the entire building will be insured by the Sponsor, and after the first closing the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. Thus the risk of loss cannot, as a practical matter, be passed on to a person in possession. A person who takes possession of their Unit prior to closing assumes the risk of losses not covered by insurance. In the event a Purchaser becomes a tenant pursuant to an Interim Lease

prior to closing, and the Unit is damaged, unless the cause thereof originated outside the Unit and did not result from the acts of the Sponsor or Sponsor's guests, invitees, or workmen, Purchaser shall assume the risk of loss.

Prior to the first closing, Sponsor may, at Sponsor's option abandon the Plan. Sponsor may not abandon the plan after effectiveness for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount; or (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain. The amount set forth above excludes attorneys' fees and any title defects, if any 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 or to repair or to replace such loss or damage. If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. After the first closing, the entire building will be insured by the Condominium. Any person who takes possession prior to closing assumes the risk of losses not covered by insurance.

In the event that there is casualty damage to a Unit or the condominium building, Sponsor will notify Purchaser within sixty (60) days after the date of the casualty whether Sponsor will repair a unit after casualty damage, and said Unit must be repaired within sixty (60) days thereafter. If Sponsor elects not to repair the Unit after a casualty, then the downpayment will be returned to the Purchaser no later than five (5) business days after the Purchaser's receipt of Sponsor's written notice of its election not to repair the Unit.

(17) Conflicts Between Offering Plan and Purchase Agreement.

If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Offering Plan, then such conflict or inconsistency shall be resolved in favor of the Offering Plan.

(18) Purchase Agreement And Offering Plan Does Not Waive Any Rights Under Article 23-A of the New York General Business Law.

The Plan and the Purchase Agreement does not contain, and may not be modified to contain, a provision waiving a Purchaser's right or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the New York General Business Law.

(19) Assignment or Transfer of Purchase Agreement.

The Purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. Purchasers are prohibited from listing their Units for sale prior to the closing of such Unit. With regard to the assignment of a purchase agreement, the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law.

(20) Waiver of Immunity By Foreign Government, etc. Parties.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (examples are diplomatic immunity or sovereign immunity) shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement, the Condominium Documents or this Offering Plan being brought in any State or Federal Court in the State of New York. Any such Purchaser and any other Purchaser who is not a resident of New York State shall designate and authorize a lawful agent to receive process.

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L. FINANCING FOR QUALIFIED PURCHASERS

THIS PLAN DOES NOT CONTAIN ANY FINANCING ARRANGEMENTS FOR PURCHASERS. PROSPECTIVE PURCHASERS WHO ARE INTERESTED IN SUCH FINANCING SHOULD CONTACT LENDING INSTITUTIONS.

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

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

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M. ASSIGNMENT OF PURCHASE AGREEMENT.

The Purchase Agreement once executed by the Purchaser(s) and Sponsor is non-assignable without the express written consent of the Sponsor. In the event that the Sponsor consents to the assignment of the Purchase Agreement by Purchaser(s), an assignment fee in the amount of $5,000.00 shall be paid to the Sponsor by Purchaser(s) upon granting of the consent to assign the Purchase Agreement. With regard to the assignment of a purchase agreement, the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law. The $5,000 assignment fee is not applicable if a purchaser wishes to assign the Purchase Agreement to an entity in which the purchaser is a majority owner of such entity, or from an entity in which the Purchaser is an owner to the individual as assignee who is a majority owner of the entity

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N. EFFECTIVE DATE OF THE PLAN

The Purchase Agreement and offer to sell Condominium Units is contingent upon, and the closing of the first Unit will not occur until the Offering Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Closing of the first unit shall not occur until the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law. The Offering Plan may be declared effective by (i) an amendment to the Plan or (ii) by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by 13 NYCRR 20.1(d) stating that the Plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the Plan was declared effective on a specified date. The amendment must conform to 13 NYCRR 20.5(e).

The Offering Plan will not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Residential Units offered under the Offering Plan. **(15% is one (1) Residential Unit.)**

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, Sponsor will re-declare the plan effective if all Purchase Agreements are either rescinded or terminated prior to the date of First Unit Closing, regardless of whether the Condominium Declaration has been recorded. The Plan may not be declared effective unless bona fide purchasers have signed purchase agreements for at least 15% of the Residential Units offered.

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

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

(ii) if the Purchaser was not afforded the protections required by paragraph (o)(15)(2) of 13 NYCRR 20.3, which states that Purchaser must be afforded not fewer than three business days to review the offering plan and all filed amendments prior to executing a Purchase Agreement; or

(iii) 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 Offering Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for eighty (80) percent or more of the Residential Units offered under the Plan. **(80% is four (4) Residential Units.)**

Purchasers should note that the plan must be declared effective when Purchase Agreements have been accepted by Sponsor for 80 percent or more of the units offered under the plan. The Plan may be abandoned by Sponsor, at its option, before it is declared effective. If the Plan is abandoned by Sponsor before the Offering Plan is declared effective, all payments received under the Purchase Agreement will be refunded to Purchasers in full, with interest earned, if any within five (5) days. Sponsor will then promptly file an amendment together with form RS-3 as required by 13 NYCRR Section 20.1(l)(2).

Pursuant to Section 20.1(l)(2) of 13 NYCRR 20.3, 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 Department of Law together with form RS-3 as promulgated by the Department of Law. If payments under Purchase Agreements have been received, the amount of such funds, including funds for upgrades, and the manner and time when these funds will be returned to purchasers must be disclosed. The funds must, (including funds for upgrades), be returned within five days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding Purchase Agreements the sponsor need not submit an amendment but shall submit a form RS-3 to the Department of

Law which shall be served simultaneously by the sponsor on all commercial or professional tenants, if any, in the manner specified by paragraph (d) (1) of this section.

The Sponsor may not abandon this Offering Plan after effectiveness for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount; or (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain. The sum of one-half of one percent of the total offering amount as the figure for the basis for abandonment after effectiveness shall 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.

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O. TERMS OF SALE

(1) The Sponsor anticipates that the first closing of a unit will occur by January 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than December 31, 2026, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor.

However, if the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. If the sponsor abandons the plan, the sponsor will return all money for extras, upgrades, etc. regardless of whether the money has been expended.

(2) The type of deed given to Unit Owners shall be a Bargain and Sale Deed with Covenants against Grantor's Acts. A form of the Unit Deed is contained in Part II of this Offering Plan. A Purchaser may use a title company of his/her choice without incurring any penalties or additional costs.

(3) Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser. Any person who takes possession prior to closing assumes the risk of losses not covered by insurance. Sponsor will notify Purchaser within sixty (60) days whether Sponsor will repair a unit.

(4) If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. If Sponsor elects to repair such damage, then the Purchase Agreement shall remain in effect, except that Sponsor's time for performance under the Purchase Agreement shall be extended as a result of the delay occasioned because of said casualty and the time required to perform any necessary repairs. If Sponsor elects not to repair such damage, the Purchaser shall be afforded the right to rescind. The extension of time granted to a Sponsor to restore the property after a casualty shall not affect a purchaser's right of rescission pursuant to Title 13 N.Y.C.R.R. 20.3(o)(18). In the event that there is casualty damage to a Unit or the condominium building, Sponsor will notify Purchaser within sixty (60) days after the date of the casualty whether Sponsor will repair a unit after casualty damage, and said Unit must be repaired within sixty (60) days thereafter. If Sponsor elects not to repair the Unit after a casualty, then the downpayment will be returned to the Purchaser no later than five (5) business days after the Purchaser's receipt of Sponsor's written notice of its election not to repair the Unit.

(5) A closing will take place only concurrently with the issuance of a temporary or Permanent Certificate of Occupancy for the building or, issuance of a partial, temporary or Permanent Certificate of Occupancy for the Unit closed or the building, if a Certificate of Occupancy is required by the Department of Buildings for the condominium building.

(6) Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Offering Plan and the proposed Unit deed. There will be no leases, mortgages, liens or encumbrances that will affect the property after closing. The state of facts shown on a survey of the land and building and any additional state of facts a subsequent survey would show may be a title exception, provided that such state of facts does not render title unmarketable.

Title to each Unit will be subject to the following title exceptions:

a) Utility Easements, if any;

b) Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and residential use of the Units or, if any, as the case may be;

c) Rights, if any, to maintain vaults and chutes under the sidewalk;

d) The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items are made as provided in this Plan;

e) Any interim lease with the Purchaser of such Unit or any lease for a unit that is rented by Sponsor pursuant to Sponsor's unconditional right to rent a unit after the plan has been consummated;

f) Any lien, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to the Purchaser's title insurance company together with the required recording or filing fee or (ii) as to which the Purchaser's title insurance company or the Preferred Title Company will insure that the lie, encumbrance or lis pendens will not be collected out of or enforced against the Unit;

g) The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

h) Party wall agreements, if any;

i) Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of the Sponsor or any of its principals, provided Sponsor delivers to the Purchaser or the Purchaser's title insurance company or the Preferred Title Company an affidavit showing that such judgments, bankruptcies or other returns are not against the Sponsor;

j) Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the Closing Date, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

k) The printed exceptions set forth in the title insurance policy issued by a title company that is authorized to do business in the State of New York and that is a Member of the New York Board of Title Underwriters, including without limitation the following:

l) Defects and encumbrances arising or becoming a lien after the Closing Date;

m) Consequences of the exercise and enforcement or attempted enforcement of any governmental, war or police powers over the Unit or the Property;

n) Any laws, regulations or ordinances (including, but not limited to zoning, building, and environmental protection) as to the use, occupancy, subdivision or improvement of the Unit or the Property, adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof;

o) Judgments against the insured or estates, interests, defects, objections, liens or encumbrances created, suffered, assumed or agreed to, by or with the privity of the Purchaser;

p) Title to any property beyond the lines of the Unit or the Property, or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners;

q) Title to any personal property, whether the same be attached to or used in connection with the Unit or the Property or otherwise;

r) All of the terms, easements, covenants and conditions of the Declaration and By-Laws as they are subsequently filed or recorded and the Plan and Purchase Agreement and any amendments thereto, including, without limitations, the following:

s) Easements for the continuance of encroachments on the Unit and on the Common Elements then existing, by reason of the construction, renovation or rehabilitation of the Building, or thereafter occurring by reason of the settling or shifting of the Building, or by reason of the repair, alteration and/or restoration by Sponsor, or the Board or encroachments by 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 or repair to any Unsold Unit or the Common Elements made by Sponsor, or the Board and similar encroachments by the Unit on other Units, and/or the Common Elements, so that any such encroachments may remain as long as the Building stands;

t) Easements in favor of the owners of other Units to use sidewalks, pipes, flues, wires, conduits, ducts, cables, storm drainage facilities, sanitary system, water, sewer, utility lines, and other Common Elements including those located in the Unit itself or elsewhere on the Property, serving such other Units, and easements of support, subjacency and necessity in favor of each Unit and/or the Common Elements;

u) Easements to the Sponsor, and their assigns, invitees, licensees, contractors, employees, and tenants on, in, over and across all areas of the Property for (i) construction, installation, maintenance, ingress to and egress from and the right to use sidewalks, pipes, flues, conduits, ducts, cables, wires, storm drainage facilities, sanitary system, water, sewer, and other utility lines and other Common Elements; (ii) ingress to and egress from all areas of the Property and the use thereof (in common with Unit Owners) for construction contemplated by the Plan and for development and maintenance of the Property or any Unit; and (iii) the erection, maintenance, repair and replacement from time to time of one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit (see also the heading “Sponsor’s Right of Access” in “Rights and Obligations of Sponsor”);

v) Easements in favor of the Board, its agents, contractors and employees to (i) have an unlimited 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;

w) Sponsor shall have an easement without the necessity of obtaining the consent of the Condominium Board and/or Unit Owners (however, any easement to any Unit must be with the consent of the Unit Owner of such unit, with reasonable notice by the Sponsor and the Sponsor shall not materially affect or prevent the use of any Unit as a result of such easement) (1) over the Property, including each Unit (however, any easement to any Unit must be with the consent of the Unit Owner of such unit, with reasonable notice by the Sponsor and the Sponsor shall not materially affect or prevent the use of any Unit as a result of such easement) and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, exterior façade, lobby or any other public portion of the Property) for the purposes of advertising the sale of Units and the leasing of the Units or of space in any of the Units or advertising any of the services and/or facilities of such Unit Owner or the services and/or facilities of any tenant occupying such Unit Owner’s Unit(s); (2) over the Property, including each Unit (however, any easement to any Unit must be with the consent of the Unit Owner of such unit, with reasonable notice by the Sponsor and the Sponsor shall not materially affect or prevent the use of any Unit as a result of such easement) and the Common Elements in connection with the sales and/or leasing of Units; (3) over

any portion of the Property, including each Unit (however, any easement to any Unit must be with the consent of the Unit Owner of such unit, with reasonable notice by the Sponsor and the Sponsor shall not materially affect or prevent the use of any Unit as a result of such easement) and the Common Elements (including, without limitation, the stairways, walkways, vestibules and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, maintenance, repair, operation, improvement or use of any of the following serving their respective Units, the Service Equipment, flues and/or ducts, security systems (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, maintenance, repair and/or replacement of telecommunications or similar equipment on any portion of the roof that is not a Residential Limited Common Element or part of Residential Unit) heating, air-conditioning systems and devices and exhaust and ventilation fan, systems and devices, in each case, located anywhere on the Property.

x) Any additional declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of each Unit as a Condominium Unit;.

(7) 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 to a Purchaser unless specifically excepted in the offering plan.

(8) The declaration, By-Laws and Floor Plans for the Condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or applicable state and local law. The aforesaid documents will be recorded in the office of the City Register.

(9) PURCHASER IS OBLIGATED TO PAY NEW YORK STATE AND NEW YORK CITY REAL PROPERTY TRANSFER TAXES. WHILE THE NEW YORK STATE AND NEW YORK CITY TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN SINGLE FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING SUCH TAXES MAY BE MODIFIED BY CONTRACT. AS IS COMMON WITH MANY OTHER CONDOMINIUM DEVELOPMENTS IN NEW YORK STATE, THE PURCHASE AGREEMENT PROVIDES THAT THE PURCHASER OF A UNIT WILL BE REQUIRED TO PAY THESE TRANSFER TAXES AT THE CLOSING.

(10) Each Purchaser will be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan.

(11) The Sponsor anticipates that the first closing of a unit will occur by January 1, 2026. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur prior to January 1, 2027 (12 months after the date set forth in Schedule B for the projected First Year of Condominium Operation in effect on the date that a Purchaser and Sponsor entered into a Purchase Agreement), Sponsor will offer to those Purchasers whose Purchase Agreement was executed prior to the filing date of the amendment disclosing Sponsor's failure to close within such time frame, will be offered a right of rescission of the Purchase Agreement for fifteen (15) days from the Presentation Date of such amendment. Any such Purchasers electing rescission will have their down payment returned together with any interest earned thereon, if any, except for any Unit Upgrade Funds, to the extent they have been expended by Sponsor.

However, if the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

(12) Sponsor has obtained an acquisition loan to purchase and renovate the property. The acquisition loan will be satisfied and paid off in full at or prior to the first closing. After the recording of the Declaration and before the closing of title to the first Unit, the mortgages encumbering the property will be satisfied and paid off. Before the closing of title to the first Unit, all liens and mortgages affecting the Condominium will be paid and satisfied. If Sponsor obtains any financing, then Sponsor must obtain a release of lien by any bank holding a mortgage on the real property prior to or at the time of conveyance of a Condominium Unit to the Purchaser. If there are any existing mortgages or construction loans on the Condominium premises prior to closing with purchasers, which will not be satisfied at or prior to the closing of the first Unit, then at the time of conveyance of the first Unit, each mortgagee will either: (i) consent to the formation of a Condominium and acknowledge that its lien will be limited to unsold Condominium Units; (ii) subordinate the lien of its mortgage to the declaration of Condominium; or (iii) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements. Sponsor has not obtained construction financing for this Condominium. If Sponsor obtains construction financing, Sponsor will file an amendment to the Plan disclosing the terms of any construction loan as such terms apply to the Sponsor's obligation to market the units for sale, including any minimum number or percentage of units which must be under contract before the Plan can be declared effective, the existence of either a minimum release price set by the lender or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold, and limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified market conditions.

(13) Each Purchaser will be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan.

However, if the first closing occurs before January 1, 2027, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

(14) Pursuant to the Geographic Targeting Order issued by the Director of the Financial Crimes Enforcement Network, title companies are now required to collect and report information regarding purchasers in transactions where the purchaser is a legal entity as defined in the Geographic Targeting Order; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan and Staten Island; (3) the total purchase price is in excess of Three Hundred Thousand Dollars ($300,000.00); (4) such purchase is made without a bank loan or other similar form of external financing by a financial institution that has both an obligation to maintain an antimoney laundering program and an obligation to report suspicious transactions under FinCEN regulations appearing in Chapter X of Title 31 of the Code of Federal Regulations; 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, or a money order in any form, a funds transfer, or virtual currency. This affects all residential real property closings meeting the above criteria and occurring on or after December 1, 2024, for so long as the Geographic Targeting Order remains in effect. The Geographic Targeting Order expires on October 9, 2025 and is expected to be renewed on similar terms upon expiration. A copy of the Geographic Targeting Order is available at: https://www.fincen.gov/system/files/shared/RRE-GTO-Order-April-14-2025-FINAL508.pdf.

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P. UNIT CLOSING COSTS AND ADJUSTMENTS

1. The estimated closing costs and expenses to be incurred by each Purchaser upon the purchase of a Unit are as follows:

(i) Estimated Costs, Fees and Charges to be Paid by Purchaser:

At the time of the closing, the Purchaser will be responsible for paying the costs, fees and charges in connection with the closing of title: title insurance fee premium; title insurance mortgage premium if the Purchaser obtains mortgage financing; mortgage recording tax; New York State Real Property Transfer Tax; New York City Real Property Transfer Tax; Recording fees for the recording of the deed, mortgage and Unit power of attorney; contributions to the Condominium's Working Capital fund; first month's common charges; Sponsor Reimbursement; and Sponsor's attorney's fee.

I. Title Insurance Fee Premium:

Although Purchasers are free to use any title insurance company that they choose, without incurring any additional fees from Sponsor, title insurance will be available from First American Title Insurance Company through its agent, Regal Title Agency, 90 Broad Street, 18th Floor, New York, New York 10004 or from a title insurance company selected by the Purchaser. Current rates for fee title insurance in accordance with the scheduled rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are set forth below (approximate amounts): (Sponsor does not guaranty the accuracy of the title insurance rates set forth herein). Purchasers are free to use any title insurance company that they choose without incurring any penalties or additional costs.

Amount of Title Insurance (non-bulk rate)

Fee Amount	Premium
From $100,000 to $500,000	$658 plus $3.71 per Thousand over $100,000;
From $500,000 to $999,999	$2,142 plus $3.38 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$4,508 plus $3.66 per Thousand over $1,000,000;

Amount of Title Insurance (bulk rate)

Fee Amount	Premium
From $100,000 to $500,000	$461 plus $2.595 per Thousand over $100,000;
From $500,000 to $999,999	$1,499 plus $2.37 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$3,155 plus $2.562 per Thousand over $1,000,000;

If the project qualifies for the Bulk Rate pursuant to Section 20 of the TIRSA Rate Manual, then Owner's insurance shall be charged at 70% of the applicable Fee Title Insurance (Owner's) Rate.

II. Title Insurance Mortgage Premium:

If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at thirty percent (30%) of the regular scheduled rate for loan policies according to the rates set forth below:

Amount of Title Insurance (non-bulk rate)

Mortgage Amount	Premium
From $100,000 to $500,000	$196 plus $1.092 per Thousand over $100,000;
From $500,000 to $999,999	$633 plus $0.995 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$1,130 plus $0.915 per Thousand over $1,000,000;

Amount of Title Insurance (bulk rate)

From $100,000 to $500,000	$137 plus $0.765 per Thousand over $100,000;
From $500,000 to $999,999	$433 plus $0.745 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$791 plus $0.641 per Thousand over $1,000,000;

III. Intentionally Omitted.

IV. Cost of Recording Documents.

The fee charged by the New York City Register's Office for the recording of the deed is approximately $200.00. Fee for the recording of the Unit power of attorney is approximately $75.00. The fee for recording the New York City Real Property Transfer Tax Return payable by the Purchaser is $50.00.

V. Costs to Purchaser for the Payment of New York State and New York City Transfer Taxes.

The Purchaser of each Residential Condominium Unit will be responsible for paying the following taxes and fees: The New York State Real Estate Transfer Tax, currently $4.00 for each one thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge. If applicable, the New York State Additional Tax ("Mansion Tax") of 1% where the purchase price equals $1 million or more and the New York City Transfer Tax which currently is 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example - $1,000.00 or 1,425.00 respectively per $100,000.00 of purchase price). Because the Purchaser, rather than the Sponsor is required to pay the New York City Real Property Transfer Tax ("NYC Transfer Tax"), the NYC Transfer Tax is deemed to be additional consideration and therefore, the price is considered to be 1.014 (for price under $500,000) or 1.01825 (for price of $500,000 and over) times the price of the Unit listed in Schedule A. Due to a change in the New York State Tax Law, Section 1404(a), as of July 1, 2021, the New York State Transfer Tax and Mansion Tax are no longer increased if a purchaser is paying the New York State Transfer Tax and Mansion Tax. The Amended Tax Law can be accessed at the following web address: https://www.nysenate.gov/legislation/laws/TAX/1404. The calculation of the "taxable basis" for RPT Tax (i.e. by adding RPT Tax, State Transfer Tax, and Sponsor Closing Fees to the Purchase Price) remain unchanged by virtue of the Amended Tax Law.

(For example, for a Unit price of less than $500,000 - if the Unit price is $490,000.00, for purposes of calculating the transfer taxes, the Unit price of $490,000.00 is multiplied by 1.014 for a total price for tax purposes of $496,860.00 for New York City Transfer Tax purposes only). The transfer taxes are added as additional consideration on which the tax is calculated. Therefore, the the New York City Transfer Tax would be approximately $4,969.00 instead of $4,900.00.

(For example, for a Unit price of more than $500,000 - if the Unit price is $600,000.00, for purposes of calculating the transfer taxes, the Unit price of $600,000.00 is multiplied by 1.01825 for a total price for tax purposes of $610,950.00 for New York City Transfer Tax purposes only). The transfer taxes are added as additional consideration on which the tax is calculated. Therefore, the New York City Transfer Tax would be approximately $8,706.00 instead of $8,550.00.

The New York City Department of Finance has taken the position that when a Purchaser purchases two or more Units, the New York City Transfer Tax may be 1.425% where the consideration is $500,000.00 or less and 2.625% where the consideration is greater than $500,000.00. Purchasers are advised to discuss this with their own attorney and/or accountant if they purchase two or more Units.

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

new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is $2 million or more.

The additional transfer tax and new supplemental tax apply to all applicable transfers occurring after July 1, 2019. However, transfers made pursuant to a binding agreement entered into on or before April 1, 2019 (as confirmed by independent evidence such as a recording of the contract or payment of a deposit) and closing after July 1, 2019 will not be subject to the amended tax rates. Further information regarding the amended transfer tax and additional supplemental tax is available at the following web address: https://www.tax.ny.gov/pdf/memos/real_estate/m19-1r.pdf

It must be noted that: (i) the additional transfer tax and new supplemental tax may increase the typical closing costs as disclosed in the offering plan, and (ii) purchasers are advised to consult with their attorney and/or a tax expert to determine the tax implications of their purchase.

Sponsor is transferring the obligation to pay transfer tax to Purchaser, which is statutorily the obligation of Seller.

VI. Cost of Mortgage Recording Taxes.

In the event that a Purchaser obtains a mortgage from a lending institution, then he or she will customarily pay at the closing of tile the following additional costs: (i) mortgage recording taxes in the amount of 1.80% of the first ten thousand dollars of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of 2.05% of the amount of the balance of the mortgage actually executed by Purchaser for mortgages in the amount of less than $500,000.00. The mortgage recording tax for mortgages in the amount of $500,000.00 or more is 2.175% after the $30.00 deduction on the first ten thousand dollars of mortgage amount and, (ii) in addition, the recording charges imposed by the New York City Register which are approximately $20.00 plus $5.00 per page or part thereof and a service charge of approximately $20.00 per document. All Purchasers will also be required to pay all fees and charges imposed by their respective lending institutions. Purchaser will also likely pay lender's appraiser fees, origination fees, lender's attorney's fees, reserves for real estate taxes and insurance premiums. The Sponsor makes no representation as to what additional closing costs may be charged by a particular lender.

VII. Working Capital Contribution by Purchaser.

A Working Capital Fund for the Condominium shall be established as follows:

Upon the closing of the purchase of a Unit, the Purchaser will be required to pay to the Condominium an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time ("Unit Working Capital Fund Contribution") as initial Working Capital. This contribution is not refundable or transferable if the Purchaser sells his or her Unit.

Any penalty charged will never exceed New York State usury limits, if there are usury limits applicable to working capital contributions, which at this time, it is Sponsor's position that usury limits are applicable if the purchaser of the condominium unit is an individual, and not a legal entity such as a limited liability company or corporation

VIII. Attorneys' Fees Payable by the Purchaser.

Purchaser shall have the sole responsibility for payment of his or her own attorney's fees and any attorney's fees or other fees required by his or her lending institution.

At Closing, Purchasers are required to pay to the Sponsor a fee of $3,500 as a Sponsor reimbursement fee to reimburse the Sponsor for fees incurred for filing this condominium offering plan with the New York State Department of Law to create this Condominium.

At Closing, Purchasers shall pay the fee of Sponsor's closing attorneys in the amount of $3,500.00 per Unit at the time of closing for document preparation fees for preparation of closing documents and for attendance by Sponsor's counsel at the closing. If a closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), an attendance travel fee in the sum of $450.00 provided that the closing is held in the City of New York or Nassau County. Sponsor and Sponsor's counsel are not required to attend a closing at any location other than in the City of New York or Nassau County. In the event that a closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $250.00. There will be a fee charged of $150.00 for the preparation by Sponsor's counsel of E-Forms, which are required for the ACRIS recording of the transfer documents.

IX. Late Fees.

Purchaser may adjourn the closing date which is set forth in the contract one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may risk the loss of his or her Down Payment. If the Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and Purchaser shall Pay Sponsor interest at the rate of 10.95% per annum on the entire amount of the purchase price computed from the date on which Sponsor is to tender a deed for the Condominium Unit and Purchaser is notified of the closing date until this transaction is actually closed. Any penalty charged will not exceed New York State usury limits.

X. Estimated Apportioned Costs, Fees and Charges to be Paid by Purchaser:

The following costs are to be apportioned at the closings:

If Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. The amount deposited in escrow for real estate taxes will be disclosed in the post-closing amendments until the units are separately assessed. 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 Unit 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. No escrow will be required if the condominium bylaws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. The Condominium By-Laws do not include that the payment of real estate taxes for the condominium building as part of the Common Expenses if the Units are not separately assessed during the period that that units are not separately assessed. Until all of the Units have been separately assessed, all post-closing amendments shall disclose the amount of the funds deposited in escrow, if any, for the payment of real estate taxes.

Closing Adjustments: A purchaser is required to pay closing adjustments to Sponsor at Closing for (a) adjustments in real estate taxes and (b) adjustment in common charges.

(ii) Numerical Examples of Closing Costs for Typical Condominium Unit [1]

The following is an example of the closing costs for Unit 1A applicable to a purchase price of $1,259,000 and a mortgage of $1,007,200 (note that the Purchase Agreement is not contingent upon Purchaser obtaining financing):

Unit #	1A
Offering Price	$1,259,000
80% Mortgage	$1,007,200

Title Insurance Fee Premium	$5,182
Title Insurance Mortgage Premium	$1,079
Mortgage Recording Tax	$21,877
New York State Transfer Tax	$5,036
New York City Real Property Transfer Tax	$18,066
New York State Mansion Tax	$17,626
Recording of Deed, Mortgage, Unit Power of Attorney	$325
Contribution to Working Capital Fund (Est.)	$1,180
First Month's Common Charges (Est.)	$590
Survey Fee	$0
ACRIS processing fee	$150
Sponsor reimbursement fee	$3,500
Basic Sponsor's Attorney's Fee	$3,500
Total Estimated Closing Costs	$78,111

(iii) Credits for Mortgage Recording Taxes Paid by Sponsor.

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reasons of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Sponsor at the closing for such Unit the amount of any such credit.

The Sponsor may pay or may have paid a mortgage recording tax in connection with obtaining a mortgage loan for the acquisition and/or the construction of the Condominium. Section 339-ee(2) of the New York Real Property Law provides for a mortgage tax credit upon transfer of the Units.

Sponsor shall be entitled to a credit for the mortgage taxes paid pursuant to Section 339-ee(2) of the New York Real Property Law. The pertinent language of the statute is as follows:

> *"If in the event the proceeds of a construction mortgage were applied to construction of a Unit of a Condominium submitted to the provisions of this article, or in the event that a Unit submitted to the*

[1] The example does not include costs that may be incurred for Purchaser's attorney's fee, apportionments for real estate taxes, common charges and similar items (see Closing Adjustments, Part I, Section P (X)) (Page 67) and fees required by Purchaser's lending institution. When the Purchaser pays the transfer tax, the law requires that the tax that the seller would pay be treated as additional consideration for the purpose of computing the New York State and City of New York City Transfer taxes. New York State Tax Law Section 1404(a) requires the calculation of the New York State Transfer Tax payable by a Purchaser not be based on the "grossed up" consideration.

provisions of this act was subject to a blanket mortgage, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each Unit is first conveyed, there shall be allowed a credit against the mortgage tax that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the Purchaser's pro rata percentage of interest in the Common Elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one "a" of section two hundred fifty three of the tax law or (b) where the first Condominium Unit is sold more than two years after the construction or blanket mortgage was recorded".

The Sponsor shall receive the benefit from any credit on Purchaser's mortgage recording tax which may be available pursuant to the quoted statute. Accordingly, at closing, each Purchaser electing mortgage financing shall pay the full amount of the mortgage recording tax chargeable on the entire amount being financed. Sponsor will be reimbursed at closing to the extent of any mortgage tax credit allowed.

(iv) Mortgage financing costs.

The Purchaser will be responsible for all closing costs in connection with mortgage financing if the Purchaser obtains a mortgage.

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Q. RIGHTS AND OBLIGATIONS OF THE SPONSOR

(1) Sponsor is reserving the unconditional right to rent after consummation of the plan rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Sponsor will endeavor in good faith to sell Units rather than rent units in a reasonably timely manner. If Sponsor makes a bulk sale of all or some of its unsold Units (two or more condominium units), the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

(2) Sponsor has the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions with regard to applicable laws and regulations and the obligations under the Plan, 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 subsequent to the closing date will survive delivery of the deed.

(4) Sponsor and its principals will remain liable notwithstanding any 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. This Offering Plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Offering Plan. With regard to items covered by the Limited Warranty provided by Sponsor, the Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, Sponsor's obligations cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes.

(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. Sponsor will fund its financial obligations to the Condominium through sale of a Condominium Unit pursuant to this Plan or through cash on hand. No bond or other security has been furnished to secure Sponsor's obligations under this Plan or to complete construction of the building. Sponsor will provide certified financial statements for the condominium during the delay in the collection of common charges if condominium operation has commenced.

(6) Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchasers Unit. If Sponsor elects to repair or restore the Unit, 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 of time within which to complete the repair or restoration. In the event that Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and neither party shall have any further rights, obligations or liability to or against the other. In the event that there is casualty damage to a unit or the condominium building, Sponsor will notify Purchaser within sixty (60) days whether Sponsor will repair a unit after casualty damage. Sponsor should endeavor to notify Purchaser of its intent to repair a unit after casualty damage within a reasonable amount of time. The parties shall also be released from all obligations and liability under the Purchase Agreement and this Plan, except that if Purchaser is then in default under the Purchase Agreement, Sponsor shall retain all sums deposited by Purchaser pursuant to the Purchase Agreement together with interest, if any, earned thereon as and for liquidated damages.

(7) Sponsor shall procure fire and casualty insurance, as set forth in Schedule B (Part I, Section "F"), pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance as reflected in Schedule "B". Such insurance will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity, due to acts of the insured and Unit Owners and waivers of pro-rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners.

(8) In the event of the dissolution or liquidation of the Sponsor or the transfer of ten or more Units or twenty percent or more of the total number of Units in the Condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

(9) Sponsor has obtained an acquisition loan to purchase and renovate the property. The acquisition loan will be satisfied and paid off in full at or prior to the first closing. After the recording of the Declaration and before the closing of title to the first Unit, the mortgages encumbering the property will be satisfied and paid off. Before the closing of title to the first Unit, all liens and mortgages affecting the Condominium will be paid and satisfied. Sponsor must obtain a release of lien by any bank holding a mortgage on the real property prior to or at the time of conveyance of a Condominium Unit to the Purchaser. If there are any existing mortgages or construction loans on the Condominium premises prior to closing with purchasers, which will not be satisfied at or prior to the closing of the first Unit, then at the time of conveyance of the first Unit, each mortgagee will either: (i) consent to the formation of a Condominium and acknowledge that its lien will be limited to unsold Condominium Units; (ii) subordinate the lien of its mortgage to the declaration of Condominium; or (iii) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements. Sponsor has not obtained construction financing for this Condominium. If Sponsor obtains construction financing, Sponsor will file an amendment to the Plan disclosing the terms of any construction loan as such terms apply to the Sponsor's obligation to market the units for sale, including any minimum number or percentage of units which must be under contract before the Plan can be declared effective, the existence of either a minimum release price set by the lender or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold, and limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified market conditions.

(10) Sponsor shall have the obligation to build and complete the Condominium in accordance with applicable codes and the building Plans and specifications identified in this Offering Plan.

(i) Sponsor shall have the right to substitute equipment or materials of equal or better quality and design as those originally specified. The Sponsor may not substitute equipment or materials of lesser quality or design.

(ii) The Sponsor's obligation to build and complete the Condominium in accordance with the building Plans and specifications identified in the Plan and Sponsor's right to substitute equipment or materials and make modifications of layout or design, provided however, that Sponsor may not change the size, or location of the Units 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.

(11) The common areas and public portions of the building will be completed before the closing of title to the first Unit.

(12) Sponsor is required to have a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy for the building prior to the first closing.

(13) If the first closing may take place prior to the issuance of a permanent certificate of occupancy for the building (if a permanent certificate of occupancy is required for the building):

(i) Sponsor is required to maintain all deposits and funds in the special escrow account required by General Business Law Section 352-e(2-b) unless the Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a Permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively, Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law. The use of any alternate security will be previously disclosed in an amendment to the Plan. The Sponsor must first apply to the Department of Law and receive approval from the Department of Law in order to use any such alternative security.

(ii) Notwithstanding subparagraph (i) of this paragraph, Sponsor is required to maintain all deposits and funds in the special escrow account required by unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete all alterations and improvements to the public portions and common areas of the building. In such case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from the special escrow account. Alternatively, Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law. The use of any alternate security will be previously disclosed in an amendment to the Plan. The Sponsor must first apply to the Department of Law and receive approval from the Department of Law in order to use any such alternative security.

The amount of any escrow retained for the issuance of a permanent certificate of occupancy and the architect's certification certifying such amount shall be disclosed in the post-closing amendments.

All alterations and improvements to the common areas and public portions of the condominium building will be completed before the closing of the first unit.

(14) Sponsor is obligated to provide a warranty on the Condominium Units. All Units, Common Elements and Limited Common Elements offered pursuant to this Plan are sold as described in this Plan. Sponsor makes no warranty whatsoever regarding materials, workmanship or any other aspect of the Units, Common Elements, Limited Common Elements or any portion thereof, except as stated in the a Limited Warranty which Sponsor will provide and which is annexed to the Purchase Agreement as Exhibit I. (See Purchase Agreement Part I, Section "FF"). The limited warranty is limited to one, two and six years for different components of the condominium unit. The Warranty is Limited to those defects as fully enumerated in the HOUSING MERCHANT LIMITED WARRANTY set forth in this Offering Plan. Sponsor's obligation, regardless of any limitations in the Limited Warranty, cannot go below the duty to construct the premises in accordance with all applicable codes, filed Plans and specifications and locally accepted building practices for items which are not covered by codes, pursuant to General Business Law §777-b(4)(e)(I). (See Part II, Section "JJ"). Sponsor will assign warranties for the heating equipment, air conditioning equipment and appliances to the Purchaser at the time of Closing. Replacement of the heating equipment or any part of the equipment beyond the warranty period will be the responsibility of the Unit Owner. Heating equipment is not part of the common elements. Each Unit has independent heating and air conditioning servicing their own Unit. The only warranty provided on heating equipment or any part of the equipment is a one year's manufacturer's warranty. The one year's manufacturer's warranty on the heating equipment will not be available to purchasers who purchase a Unit after the expiration of the one year's manufacturer's warranty. Replacement of the individual air conditioning equipment or any part of the equipment beyond the warranty period will be the responsibility of the Unit Owner. Air conditioning equipment is not part of the common elements. Each Unit has independent heating and air conditioning servicing their own Unit. The only warranty provided on air conditioning equipment or any part of the equipment is a one year's manufacturer's warranty. The one year's manufacturer's warranty on the air conditioning equipment will not be available to purchasers who purchase a Unit after the expiration of the one year's manufacturer's warranty. The sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and any conflict between the disclaimers and the sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

The following are the coverages that are included in the warranty which are detailed in the HOUSING MERCHANT LIMITED WARRANTY set forth in this Offering Plan:

FIRST YEAR BASIC COVERAGE:

For one year from the Warranty Date ("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), the Unit will be free from latent defects that constitute:

(a) defective workmanship performed by the Sponsor, and agent of the Sponsor or subcontractor of the Sponsor;

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

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

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

Sponsor under this coverage are not responsible for any defects in any work or materials ordered directly by Purchaser from Sponsor's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes and Condominium Unit in the City of New York, the Building Code of the City of New York) or, in the event such standards do not exist in connection with any warranty item, if they fail to meet the locally accepted building practice.

TWO YEAR MAJOR SYSTEMS COVERAGE:

For two years from the Warranty Date ("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), the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Sponsor is warranted to be free from latent defects that constitute defective installation by the Sponsor.

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in the City of New York, the Building Code of the City of New York) or, in the event such standards do not exist in connection with a warranty item, if they fail to meet locally accepted building practice.

The Plumbing Systems means: oil supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, oil and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

All systems are expressly exclusive of appliances, fixtures and items of equipment.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE:

For six years from the Warranty Date ("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),, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

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

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

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

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code or, in the

event such standards do not exist in connection with a warranty item, if they fail to meet locally accepted building practice.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Unit caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

By way of example and not in limitation of the foregoing, damage to the following non-load bearing portions of the Unit do not constitute a Material Defect for the Material Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in the attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances; fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation and items of a similar nature.

(15) Upon the closing of title, Sponsor will assign to the Purchaser, and to the Board of Managers upon the recording of the Declaration, all applicable warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the Purchasers Unit or the Common Elements, if any. Sponsor undertakes to supply warranties only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent that such warranties and bonds are assignable. The Housing Merchant Implied Warranty Law (General Business Law, Article 36-B) is applicable to the Condominium Units, however, Sponsor excludes the Housing Merchant Implied Warranty in favor of the Limited Warranty as set forth in this Offering Plan. Sponsor anticipates assigning warranties for the heating equipment, air conditioning equipment and appliances to the Purchaser at the time of Closing.

(16) Sponsor will pay the cost of all authorized and proper work involved in the construction, establishment and sale of the Condominium property that Sponsor is obligated to complete under the Plan and to cause all mechanics liens filed with respect to the construction of the building to be promptly discharged or bonded.

(17) Sponsor will deliver a set of "as built" Plans to the Board of Managers.

(18) Except as specifically set forth in this Plan, no bond or other security has been furnished to secure Sponsor's obligations to complete construction after closing title to the first Unit.

(19) The Sponsor has a right of access to complete construction of the Condominium. The Sponsor is obligated to repair any damages caused by Sponsor or Sponsor’s contractors to any Condominium Unit and the common areas as a result of the work performed in accordance with gaining access to Condominium Units and/or the common areas. The Sponsor may not interfere with the Unit Owner’s use and may only gain access to sold Units during normal business hours, from 8AM to 5PM, Monday through Friday. Sponsor shall give written notice to a Unit Owner no less than 48 hours prior to the time that Sponsor requests such access, unless due to an emergency condition, it is impossible or impractical to provide 48 hours’ notice. Notice may be given by overnight mail or via email to a Unit Owner.

(20) Owners of Class A multiple dwellings in New York City, which include Condominium Units, must install carbon monoxide detectors. The Sponsor will install a smoke detector and a carbon monoxide detector in each residential Condominium Unit. The law requires the owners of the residential Condominium Units to maintain the carbon monoxide detectors. The Sponsor will install a smoke detector and a carbon monoxide detector in each residential Condominium Unit. The law requires the owners of the residential Condominium Units to maintain the carbon monoxide detectors.

(21) There are no minimum release prices and no required minimum payment per sale which must be made to any lender for the lender to release its lien from the unit being sold.

(22) The following documents shall be transferred to the condominium management upon transfer of control Operation & Maintenance (“O&M”) manuals for mechanical equipment; Electronic system manual;

Re-commissioning manual (as applicable); equipment warranties; Roof Warranty; Major equipment Start-Up Sheets; Control System As-Built; Original Test & Balance Report for HVAC System; Indoor Air Quality report; Final As-Built drawings as maintained during construction, i.e., structural, mechanical, electrical, plumbing and shop drawings.

(23) Sponsor will disclose in all post-Closing amendments until a Permanent Certificate of Occupancy is issued the amount of any funds held in escrow for the issuance of a Permanent Certificate of Occupancy and the post-Closing amendments shall include the architect's certification certifying to such amount as an exhibit to such amendments.

Prior to closing the first unit, Sponsor must obtain a permanent certificate of occupancy for the property or, alternatively, obtain a temporary or partial certificate of occupancy for the unit or the building in which the unit to be closed is located. The Sponsor and its principals must obtain a permanent certificate of occupancy for the property within two years after the closing of the first unit. Sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

If the first closing may take place prior to the issuance of a permanent certificate of occupancy for the property:

(i) Sponsor is required to maintain all deposits and funds in the special escrow account required by General Business Law Section 352-e(2-b) unless the Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively, Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law. The Sponsor must first apply to the Department of Law and receive approval from the Department of Law in order to use any such alternative security. The use of any alternative security will previously be disclosed in an amendment to the plan.

Purchasers are advised that it has been customary for units in newly constructed and gut rehab co-ops and condos to close after a Temporary Certificate of Occupancy ("TCO") covering such units has been issued. Sponsor will send Closing notices for units covered by TCO's and Purchasers will be required to close with a TCO rather than with a Permanent Certificate of Occupancy in place. TCO's are usually issued for three (3) months at a time.

The NYC Department of Buildings advises purchasers to houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent or final Certificate of Occupancy. It is strongly recommended that buyers consult the "DOB Website / Consumer Tips" for its recommendation when buying units in a building that does not have a Final Certificate of Occupancy.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in

these undertakings. Furthermore, because Sponsor and the by-laws of the condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf".

Complete details regarding the issuance of the Certificate of Occupancy are discussed in this Offering Plan. Purchasers are advised to ascertain that sufficient money is held in escrow in order for the Sponsor to obtain a permanent certificate of occupancy.

(24) Pursuant to 13 NYCRR §20.3(t)(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.

(25) 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 Department of Law together with form RS-3 as promulgated by the Department of Law. If payments under purchase agreements have been received, and the offering plan is abandoned, the funds of purchasers must be returned within five days after the amendment abandoning the plan has been accepted for filing by the New York State Department of Law. If there are no outstanding purchase agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the Department of Law.

(26) The Sponsor may not abandon this Offering Plan after effectiveness for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount; or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain. The sum of one-half of one percent of the total offering amount as the figure for the basis for abandonment after effectiveness shall 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.

(27) Sponsor shall procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B in this offering plan.

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R. CONTROL BY SPONSOR

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

Board of Managers:

The Condominium By-Laws, as set forth in Part II, Section "MM" of the Plan, provide for a three (3) member Board of Managers whose members will be designated by the Sponsor. Sponsor's principal, Joseph Serrano, John Larocca, and counsel of sponsor, Gary Rosen, Esq., are anticipated to serve as the first officers and members of the Board of Managers.

Until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first, the Sponsor shall appoint all three (3) members to the Board of Managers. After the end of the Sponsor Control Period, Sponsor will refrain from exercising any voting control it may have and not vote for Sponsor affiliates to hold the two (2) board members to be elected by Unit Owners. A meeting and election of the Board of Managers will be held within thirty days from the end of the Sponsor Control Period.

The first annual meeting of the Unit Owners shall be held no later than the first anniversary of the first closing (whether or not Unit Owners are entitled to vote for a new Board at such time). The Sponsor is entitled to designate all members of the board during the Sponsor Control Period. After the end of the Sponsor Control Period, if Sponsor owns at least one (1) Residential Unit, Sponsor shall be entitled to designate one (1) of the three (3) board members and the Unit Owners shall vote and elect two (2) board members. Non-Sponsor affiliated Unit Owners will not have any representation on the Board of Managers during the Sponsor Control Period. Sponsor may control the Board of Managers for up to three years from the first closing.

The Sponsor has the right to control the Board of Managers of the Condominium, by maintaining a majority of the Members of the Board of Managers of the Condominium, until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. At the meeting to elect members of the Board of Managers,, a three (3) member Board of Managers shall be elected by the Unit Owners, unless Sponsor owns at least one unit, in such event, Sponsor shall appoint one (1) member of the Board of Managers at all times and years that Sponsor owns at least one Condominium Unit and an election shall be held for two (2) members of the Board of Managers. A majority of the Board of Managers need not be owner occupants or members of an owner occupant's household who are unrelated to the Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Until such time as the Sponsor relinquishes control of the Board of Managers, the Board of Managers may not, without the prior written consent of the Sponsor or its designees, (i) make any addition, alteration or improvement to the Common Elements, Limited Common Elements or to any Unit or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B to the extent that the aggregate amount of such fund does not exceed 5% of the budget expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law) to the extent that existing reserves are insufficient or (iv) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or its designees. The Sponsor shall have the right to withhold its consent to any of the foregoing actions, except Sponsor may not withhold its consent to any action which affects the health and safety of the occupants of the building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the previous sentence for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever is sooner.

Annual meetings will be held each annual anniversary from the first meeting of the Unit Owners although no change in control will occur until the provisions set forth herein are met.

The By-Laws authorize 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 25% in common interest, in the aggregate, of the Unit Owners.

After the initial Sponsor Control Period expires, the By-Laws do not require that the majority of the Board consist of owner occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., as a home as opposed to an investment.

During the Sponsor Control Period, a majority of Board Members may be appointed by Sponsor. After the initial Sponsor Control Period, a majority of Board Members will not be appointed by Sponsor or Sponsor affiliates, but Sponsor may obtain the votes required to elect certain Board Members and retain control of the Bord of Managers based on the number of condominium units owned by Sponsor, as Sponsor may cast votes for members of the Board of Managers based on the number of Units owned by Sponsor.

All members of the Board of Managers (other than the designees of the Sponsor) shall be Unit Owners, mortgagees of Units, partners or employees of a partnership owning a Unit or a mortgage covering a Unit, shareholders, officers, directors or employees of corporate owners or corporate mortgagees of Units, or fiduciaries or officers or employees of fiduciaries who are owners or mortgagees of Units.

The term of office of the members of the Board of Managers shall be one year or until their successors are elected, whichever is later.

All terms of the members of the Board of Managers term shall expire annually.

Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers.

Sponsor has a right of access to complete make any repairs in necessary to the condominium building. Sponsor is obligated to repair damages caused by Sponsor in completing construction of the condominium building. Sponsor may not interfere with the unit owners' use of their unit, however, Sponsor shall be provided reasonable access to any unit during the hours of 9am and 5pm weekdays for the purpose of access to complete construction of the condominium.

Control of Management by Sponsor

As long as the Sponsor or its designees shall own Units representing 25% or more in common interest or for a period of three (3) years after closing of title to the first Unit, whichever occurs first, the Board of Managers may not, without the prior written consent of the Sponsor or its designees, (i) make any addition, alteration or improvement to the Common Elements, Limited Common Elements or to any Unit or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B to the extent that the aggregate amount of such fund does not exceed 5% of the budget expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law) to the extent that existing reserves are insufficient or (iv) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or its designees. At no time will the Board of Managers interfere with the offer and sale or leasing of Units, operation of or sales and leasing offices on the premises, or with any actions necessary for construction, renovation, repair or correction on the Property as required by Sponsor or its designee. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer; or (iv) which affects the health and safety of the occupants of the building. Sponsor may exercise veto power over expenses other than those described in the previous sentence for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever is sooner.

Notwithstanding that the Sponsor is in control of the Board of Managers during the Sponsor Control Period, if the Sponsor fails to comply with its obligations during the Sponsor Control Period, two or more Unit Owners

may, on behalf of the Board of Managers and on behalf of all of the Unit Owners, commence a legal action or proceeding against the Sponsor on behalf of all of the Unit Owners. Notwithstanding the foregoing, if the Sponsor fails to comply with its obligations, an individual Unit Owner may commence a legal action or proceeding against the Sponsor on behalf of himself or herself. Sponsor has a fiduciary duty to act in the best interest of the condominium while in control of the board.

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S. BOARD OF MANAGERS

The form of the Declaration of Condominium and the By-Laws referred to in the Plan appears in Part II, Sections "LL" and "MM".

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

(1) The affairs of the Condominium will be governed by a Board of Managers consisting of three (3) members. It is anticipated that Sponsor's principals, Joseph Serrano, John Larocca, and counsel of sponsor, Gary Rosen, Esq., will serve as the first officers and members of the Board of Managers. Persons eligible to be members of the Board of Managers (other than the designees of the Sponsor) shall be Unit Owners, mortgagees of Units, partners or employees of a partnership owning a Unit or a mortgage covering a Unit, shareholders, officers, directors or employees of corporate owners or corporate mortgagees of Units, or fiduciaries or officers or employees of fiduciaries who are owners or mortgagees of Units.

The Sponsor shall call the first meeting of Unit Owners within one year from the First Closing. The Sponsor will exercise voting control until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. At the meeting to elect members of the Board of Managers, a three (3) member Board of Managers shall be elected by the Unit Owners, unless Sponsor owns at least one unit, in such event, Sponsor shall appoint one (1) member of the Board of Managers at all times and years that Sponsor owns at least one Condominium Unit and an election shall be held for two (2) members of the Board of Managers. A meeting will be held to elect new board members unrelated to the sponsor within 30 days of the expiration of the control period.

Members of the Board of Managers will serve for one year from the date of the election or until their successor is elected, whichever is later, except that a new Board of Managers will be elected at the first annual meeting after the first closing of a Unit even if the current Board has not served for one year.

After the end of the Sponsor Control Period, Sponsor will refrain from exercising any voting control it may have to allow for two (2) board members to be elected by Unit Owners other than Sponsor and/or Sponsor' affiliates.

Annual meetings will be held on the first anniversary of the first meeting of Unit Owners and annually thereafter on the same day unless such day shall fall on a Saturday, Sunday or legal holiday, in which event the meeting for that year shall be held on the succeeding Monday. The By-Laws authorize 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 25% in common interest, in the aggregate, of the Unit Owners.

The By-Laws do not require that the majority of the Board of Managers 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. 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., as a home as opposed to an investment.

Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast one vote for each .01% of Common Interest attributable to the Unit per member to be elected. However, Sponsor has the right to appoint members of the Condominium Board as set forth above for the time periods as stated herein.

2) Anticipated First Officers and Members of the Board of Managers:

The names of the anticipated first officers and members of the Board of Managers are:

Joseph Serrano, President
John Larocca, Vice President
Gary Rosen, Esq., as Secretary & Treasurer

Joseph Serrano and John Larocca are principals of the Sponsor. Gary Rosen, Esq. is counsel to Sponsor.

(3) Directors' and officers' liability insurance will not be procured by the Sponsor and will not be effective at the closing of the Condominium and the filing of the Declaration. If the Board of Managers desires to obtain Directors and Officers Liability Insurance, it is anticipated that the cost will be approximately **$750** per year. If the Board of Managers desires to obtain Directors' and officers' liability insurance, the cost for such insurance shall be borne by the Condominium. Directors' and officers' liability insurance would provide insurance coverage for any personal liability of the Board of Managers. Any person who serves as a member of a Board of Managers can be subject to an action for a perceived wrong. The insurance coverage that the Board of Managers may obtain, at a cost to the Condominium, may be obtained in an amount that may be sufficient to indemnify the Board of Managers against all claims. However, no representation is made that the coverage will be adequate in all cases and no representation is made that the coverage will include actions outside the scope of the duties of a member of the Board of Managers or an officer of a Condominium. The Unit Owners shall indemnify and hold harmless each of the officers of the Condominium against all liability to others arising from their acts as, or by reason of the fact that such person was an officer. It is intended that officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by any officer or out of the aforesaid indemnity in favor of the officers shall be limited to such proportion of the total liability thereof as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements.

Every agreement made by any officer 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 thereunder (except as Unit Owners) and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability of a Unit Owner thereunder as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Members of the Board of Managers may be held liable for a breach of fiduciary duties.

(4) All members of the Board of Managers shall serve without compensation and the Sponsor has agreed that the By-Laws will not be amended to provide otherwise while the Sponsor owns more than 15% of the Units.

(5) The officers and members of the Board may not be removed by the Board of Managers except for cause. Any provisions that give the sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's board representatives cannot lawfully vote on that issue.

(6) Except with regard to amendment of the Declaration or By-Laws, voting rights of Unit Owners shall be computed on the basis of percentage of common interest owned by a Unit Owner. The percentage of common interest needed to amend the Condominium's By-Laws and to change the Declaration of Condominium after it has been filed is sixty-six and two-thirds percent (66 2/3%) in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

(7) Amendment of the Declaration and By-Laws.

The Declaration may be amended with the approval of at least 66 2/3% in number and in common interest of all Unit Owners, in accordance with the provisions of the By-Laws, provided, however, that the common interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the consent of all Unit Owners affected.

The By-Laws may be amended by approval of 66 2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

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T. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

(1) Sale or Lease of Unit; Right of First Refusal of Board of Managers

FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT:

Any Unit Owner shall have the right to sell his or her Unit free of any right of first refusal or restriction. If there are any additional restrictions or conditions to sale or lease of Units in the future, the Sponsor will file an amendment disclosing that change.

The Board of Managers has no right of first refusal.

Because the Unit being leased is a condominium, the terms of any lease, including the rent, will not be subject to current state or local laws pertaining to rental properties for which rent stabilization laws or rent control laws apply.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Unit Owners will be free without restriction, to sell or lease their respective Units to any person or entity without first offering the Unit for sale or lease to, or obtaining the consent of the Board of Managers.

Because the Unit being leased is a condominium, the terms of any lease, including the rent, will not be subject to current state or local laws pertaining to rental properties for which rent stabilization laws or rent control laws apply.

Notwithstanding the foregoing, no Unit Owner may sell or lease their Unit if the Unit Owner is in arrears on payment of common charges.

The Board of Managers may make further restrictions on or conditions to sale or lease of Units in the future consistent with the Condominium Declaration, By-Laws and applicable law.

The Board of Managers and its agents may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law.

(2) Mortgaging of Units by Unit Owners

Every Unit Owner shall have the right to mortgage his or her Unit without restriction, provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except any and all changes or additions as may be necessary in order to permit a particular bank, trust company, savings and loan association or other institutional lender to make the mortgage loan.

(3) Common Charges and Assessments

(i). Unit Owners shall pay common charges and assessments levied by the Board of Managers. The Board of Managers shall be required to prepare budgets at least annually. However, the Board of Managers may prepare budgets at more frequent intervals if it so desires. A copy of each budget shall be furnished to each Unit Owner. Each Unit Owner shall be required to pay common charges and expenses in accordance with his or her proportionate interests in the Common Elements in order to insure collection of sufficient funds to meet the Condominium's budget. Common charges (except those adjusted at closing) shall be billed and be payable in advance on a monthly basis. Common Charges are due on the first day of each month. Common charges not received by the Board of Managers or its designated managing agent, by the tenth day of the month are deemed late. (See Section "MM", Article V, Section 5, By-Laws for discussion as to late fees.)

(ii). The Board of Managers shall have the right to accumulate reserves for capital expenditures or otherwise by establishment of a Reserve Fund. The building may be used by the Board of Managers for Condominium purposes in the exercise of its business judgment on how to run the affairs of a Condominium. The Board of Managers shall have the sole right to determine the amount of money to be kept in the Reserve Fund and how to invest it provided that the investment is made according to applicable law.

(iii). Liability of a Unit Owner for common charges and assessments can only be terminated by the sale of the Unit. As long as the Unit Owner has title to the Unit, the Unit Owner is responsible for the payment of common charges and assessments.

(iv). Section 339-z of the Real Property Law of the State of New York states that the Board of Managers will have a lien on each Unit for unpaid common charges assessed by the Board of Managers on behalf of the Unit Owners. The common charge lien will only be subordinate to liens for real estate taxes on the Unit and any unpaid amount due on a first mortgage of record on such Unit. A lien for unpaid common charges against the Unit becomes effective upon the filing of a notice of lien in the office of the Register of the City of New York, County of Kings. Such lien shall be in effect for six (6) years from the date of filing unless all common charges secured by the lien have been fully paid with interest or unless an action for foreclosure of the lien is commenced. The Board of Managers may commence legal action to foreclose the lien on behalf of the Unit Owners in a similar manner to the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover unpaid common charges without foreclosing the lien.

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

Sponsor makes no representation or guaranty that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so. No representation is made about the tax effects of RPL §339-kk and all prospective Purchasers should review RPL §339-kk to determine its effect on their own situation.

New York State RPL §339-kk provides the following:

(a) For the purposes of this section, "non-occupying owner" shall mean a Unit Owner in a Condominium association who does not occupy the dwelling Unit.

(b) If a non-occupying owner rents any dwelling Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the Condominium association.

(c) If the common charges, assessments or late fees due for any Unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the Board of Managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium association at the address listed on the notice. Where a majority of the Board of Managers has been elected by and from among the Unit Owners who are in occupancy, the Board of Managers may elect not to require that rental payments be made payable to the Condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board of Managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of Unit Owners or of the Board of Managers existing under any other law or agreement.

(e) Payment by a rental tenant to the Condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

(4) Repairs

(i). The Board of Managers will cause all maintenance, repairs and replacements necessary or required for the Common Elements the cost thereof will be a common expense. Unit Owners will be obligated to make and perform all maintenance, repairs and replacements to their individual Units and maintenance to the Limited Common Elements assigned to their Unit at their own cost and expense.

(ii). There are no improvements, maintenance, or provision of furnishing required of unit owners.

(iii). Each Unit Owner shall be responsible to reimburse the Condominium for the cost of any repairs or replacements to the Common Elements and Limited Common Elements required as the result of the negligence or abuse of said Unit Owner.

(iv). The Board of Managers and the Managing Agent shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the Common Elements and Limited Common Elements contained in the Unit or elsewhere in the building or to remedy any condition which would result in damage to any other Unit or the Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof. Such right of access shall be exercised in a manner that will not unreasonably interfere with the use of the Units, but prior notice shall not be required in the event that the Board of Managers shall determine that immediate action is necessary for the preservation or safety of the property of the Condominium, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium. The Board of Managers will not be liable to any Unit Owner by reason of such entry, except in the event of gross negligence or willful misconduct.

(5) Additions, Alterations and Improvements

(i). Additions, alterations or improvements costing $5,000.00 or less may be made by the Board of Managers without prior approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses. Additions, alterations or improvements costing more than $5,000.00 shall only be made in the event approval is granted by the Unit Owners, at a meeting duly called for such purpose, by more than 50% in number and common interest of the Unit Owners, Sponsor or its designee if then a Unit Owner (and by the holders of first mortgages on Units, if their approval is required). Upon requisite approval of such addition, alteration or improvement by the Unit Owners, the Board of Managers shall proceed with such addition, alteration or improvement and shall have the right to assess each Unit Owner with his proportionate share of the cost as part of the Common Expenses whether such owner voted for the addition, alteration or improvement or not.

(ii). Residential Unit Owners are prohibited from making any structural addition, alteration or improvement in their respective Units or filing any applications with any governmental authority for a permit covering any addition, alteration or improvement to be made in the Unit without prior written approval from the Board of Managers (and, if required, from the Unit Owners mortgagee). The provisions of this paragraph shall not apply to Units owned by the Sponsor or its designee until a deed to such Unit has been delivered to a Purchaser of the Unit. No Unit Owner may make any changes in or to the Common Elements or Limited Common Elements without prior written approval of the Board of Managers. The approval of the Board of Managers is not required for non-structural alterations and improvements to individual Units which do not affect the exterior of the building or the value of other Units. Purchasers should note the restriction contained in the Rules and Regulations of the Condominium regarding television aerials, use of vestibules, storage and related matters.

(iii). 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 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 shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

(6) Insurance

(i). The Board of Managers will be obligated to obtain and maintain, to the limits extent obtainable:

Property Insurance:
Replacement Cost Insured Value - $3,000,000;

Commercial General Liability Insurance:
Premises Liability - $1,000,000 per occurrence / $2,000,000 aggregate

Directors and Officers Liability Insurance is not included. If the Board of Managers desires to obtain Directors and Officers Liability Insurance, it is anticipated that the cost will be approximately $750 per year.

(ii). Proceeds of all policies of physical damage insurance will be payable to the Board of Managers to be applied for the purpose of repairing, restoring or rebuilding the building unless otherwise determined by the Unit Owners as set forth below. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless 75% of the Unit Owners determine not to repair, restore or rebuild.

In the event of damage to or destruction of the Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of the Building 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 in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Residential Unit Owners for such deficit as part of the Common Charges.

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

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on coinsurance or of pro rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled by the insurance carrier or substantially modified without at least ten days, prior written notice to all of the insured, including all mortgagees of Units. Certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees at least ten days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance.

The cost of all such insurance shall be paid by the Board of Managers and shall constitute a common expense.

For details regarding insurance coverage see Footnote to Schedule B. (Part I, Section "F" of the Plan).

Each Unit Owner will be an additional insured on the Condominium insurance policy. Unit Owners shall not be prohibited from carrying other insurance for their own benefit at their own expense (covering items not included or included only to a limited extent in the policy of the Board of Managers), providing that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance. Examples of items not included in the policy of the Board of Managers is Additional Living Expense coverage, which covers the cost of living elsewhere if the Unit Owner cannot live in the Condominium Unit after an incident rendering the Condominium Unit uninhabitable. The contents of individual units are not covered and individual unit owners may wish to purchase additional insurance.

Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover items not included in the policy of the Board of Managers.

(7) Restriction on Occupancy and Use

Occupancy shall be limited to residential use unless permission for other use is granted by the Board of Managers and meets approvals of government agencies and authorities.

Unit Owners may not lease any portion of a Unit less than the entire Unit. Purchasers are prohibited from listing their Units for sale prior to the closing of such Unit.

(8). Pet Restrictions.

No animals, birds, or reptiles of any kind shall be raised, bred, or kept in any Unit or in the Common Elements or Limited Common Elements, except that dogs, cats or other household pets, not to exceed two per Unit, without the written consent of the Board of Managers, may be kept in 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.

In no event shall any dog be permitted in any portion of the Common Elements unless carried or on a leash, or in any grass or garden plot under any circumstances.

(9). Aesthetic Controls.

In order to retain the structural integrity and aesthetic appearance of the building, no additional window or through-the-wall air-conditioning appliances may be installed in any Unit and no radio, television aerial or awning shall be attached to or hung from the exterior of the building by the Unit Owner without consent of the Board and otherwise in accordance with applicable laws and rules. Painting of doors to the individual Condominium Units or any portion of the property outside of the Condominium Unit is prohibited.

(10). Business Restrictions.

Business or professional use is not permitted without the express written consent of the Board of Managers and must be permitted by zoning regulations. The Sponsor may maintain an office on the premises while there is at least one Unit unsold.

(11). Restrictions on Occupancy of Units Owned by Corporations, Partnerships or Fiduciaries.

Individuals, Corporations, Limited Liability Companies, Partnerships and Fiduciaries may own Condominium Units provided that the use is for residential purposes only, and not for any business or non-residential purpose.

(12). Restrictions on Illegal Uses.

Units may not be used for illegal uses.

(13). Restrictions on Guest Privileges.

There are no restrictions on guest privileges.

(14). Limitations on Utilization of Common Elements and Parking Facilities.

Common Elements may not be used for storage or loitering. There are four (4) parking spaces provided at the Condominium.

(15). Limitations Contained in the Certificate of Occupancy and Zoning Regulations.

There are no known restrictions set forth in the Zoning Regulations to prohibit the use as contemplated for this Condominium. There are no known limitations in the Certificate of Occupancy which will be sought by the Sponsor which would limit the use of the Condominium property other than as set forth in this Offering Plan.

(16) Window Guards

Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers.

(17) Other Material Provisions.

There are no other material provisions in the declaration or By-Laws, which significantly affect the rights and obligations of the Unit Owners or the Board of Managers.

(18) Building Smoking Policies Pursuant to Local Law 147.

On August 28, 2017, Mayor DeBlasio signed into law Local Law #147/2017 requiring the owners of all Class A multiple dwellings, including all cooperative corporations and condominiums to adopt a "smoking policy" no later than August 28, 2018.

Prior to August 28, 2018, the law governing smoking in class A multiple dwellings in New York City was the Smoke-Free Air Act ("SFAA"). The SFAA prohibited smoking or using electronic cigarettes in common indoor areas of buildings with three or more residential dwelling units. SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working). Local Law 147 does not change the requirements of SFAA. Thus, a building and a board of managers in a condominium cannot adopt a smoking policy permitting smoking in indoor common areas, lest the owners be in violation of SFAA. Smoking is permitted within the condominium unit, but the smoke cannot create a nuisance to other condominium unit owners.

Local Law 147/2017 was adopted to encourage restricting the ability to smoke in a multiple dwelling and condominium, and thus, to protect people from the hazards of second hand smoke. Local Law 147/2017 does not require the smoking policy adopted by the board of managers to include any specific restrictions (other than as otherwise required by law). It merely requires the board of managers to adopt a policy and to disclose that policy (and any future revisions to the policy) to all residents (unit owners) and potential residents (prospective purchasers).

The following is the smoking policy of this condominium:

> "The 368 & 372 92nd Street Condominium Smoking Policy:
>
> Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units.
>
> Smoking and using electronic cigarettes is permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.
>
> This smoking policy applies to all unit owners, tenants and invitees as well as other persons in the condominium.

The definition of “smoking” is contained in the original Smoke Free Air Act (Title 17, Chapter 5 of the NYC Administrative Code) and is as follows: "Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco”. The Code was amended to address electronic cigarettes.

The Board of Managers shall provide a copy of the smoking policy to all unit owners and tenants in the condominium building on an annual basis.

Unit owners that wish to sell their unit shall include the smoking policy in any contract of sale. Any Unit owners that wish to lease their unit shall include the smoking policy in any lease.

The Board of Manager may impose penalties against unit owners (including upon unit owners for violations by tenants of unit owners) of $200 for a first violation of the smoking policy, $500 of for a second violation of the smoking policy in a period of twelve months, and $1,000 for a third and subsequent violations of the smoking policy in a period of twelve months. Penalties for a violation may be imposed upon a unit owner of a condominium unit who fails to provide notices to purchasers or tenants/subtenants.

A copy of the building’s smoking policy will be posted in a prominent location and/or provided to all unit owners and tenants and incorporated into the by-laws or rules of the condominium.”

(19) Agreement by Parties.

The parties to any dispute required or permitted to be subject to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of (a) with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Determination of Disputes”. **(See Condominium By-Laws, Article X)**

The remainder of this page is intentionally left blank.

U. REAL ESTATE TAXES

Each Condominium Unit will be separately assessed for tax purposes by the City of New York. The Unit Owner of each Condominium Unit will receive bills from the City of New York for real estate taxes for their own Condominium Unit. Unit Owners will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Condominium Units. The tax assessment for each unit may be allocated on a basis that differs from the allocation of common interests.

The New York City Department of Finance is the tax assessing authority for determining the assessed valuations and the real estate taxes for each Condominium Unit. The Unit Owner or their mortgagee will receive bills from the New York City Department of Finance for real estate taxes for their own Condominium Unit once the New York City Department of Finance separately assesses each condominium Unit, which should be implemented within six months after the First Closing.

The Condominium By-Laws do not provide for the collection of real estate taxes as part of the common charges.

The Sponsor anticipates that the Condominium Units will be separately assessed by the New York City Department of Finance, and it is anticipated that separate assessments should be implemented within six months after the First Closing.

Based on an opinion letter dated April 11, 2025 from Rosen Law, LLC, 216 Lakeville Road, Great Neck, New York 11020, the real estate tax projections are as follows:

It is anticipated that on or about January 5, 2026, the New York City Department of Finance will reassess the real property based on a completed building. Upon reassessment, it is anticipated that the real estate taxes for the condominium building will be as follows:

A. The real estate taxes for the condominium building for the period July 1, 2025 through June 30, 2026 are anticipated to be $9,681, which is based on the Notice of Property Value dated January 15, 2025 issued by the New York City Department of Finance for the condominium property for the period July 1, 2025 through June 30, 2026.

B. It is anticipated that the assessed valuation for the Condominium Building for the 2026/2027 (July 1, 2026 through June 30, 2027) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2026 through June 30, 2026.

C. It is anticipated that the assessed valuation for the Condominium Building for the 2027/2028 (July 1, 2027 through June 30, 2028) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2027 through June 30, 2027.

D. Based on the anticipated actual real estate taxes for the condominium building (i) for the period January 1, 2026 through June 30, 2026, the estimated real estate taxes for the said six month period is anticipated to be $4,841, and (ii) for the period July 1, 2026 through December 31, 2026, the estimated real estate taxes for the said six month period is anticipated to be $25,106.

E. The real estate taxes anticipated for the condominium's first year of operations is $29,947.

The post-closing amendment to this Plan will state the amount of taxes paid by the Sponsor and the period covered.

If the condominium units have been apportioned prior to the first closing, then, in that event, each unit owner will be responsible for the payment of the real estate taxes on their unit commencing on the date of the Closing.

If the condominium units have not been separately assessed as of the first closing, the Sponsor will pay the real estate taxes through a period which is no less than six months from the date of the first closing. At each closing that occurs during that tax year, a unit owner will reimburse the Sponsor a proportionate share of the real estate taxes based on the unit's percentage of common interest.

The approximate date of completion of the Condominium Building will be in August 2025.

The estimated real estate taxes for each condominium unit for the first year of condominium operations are anticipated to be as follows:

Unit #	Estimate of Monthly Real Estate Taxes - 1/1/2026-12/31/2026	Estimate of Annual Real Estate Taxes - 1/1/2026-12/31/2026
1A	$723.71	$8,684.56
1B	$474.16	$5,689.88
2A	$723.71	$8,684.56
2B	$474.16	$5,689.88
P1	$24.96	$299.47
P2	$24.96	$299.47
P3	$24.96	$299.47
P4	$24.96	$299.47
	$2,495.56	$29,946.75

TOTAL ANTICIPATED REAL ESTATE TAXES JANUARY 1, 2026 THROUGH DECEMBER 31, 2026 ARE $29,946.75.

The actual real estate taxes would be apportioned to each Condominium Unit based on the percentage of common interest and then apportioned on a daily basis from the date of the closing to a period which is no less than six months from the date of the first closing. If any closings occur prior to each Unit being separately apportioned by the New York City Department of Finance, then the Sponsor will pay the real estate taxes due on the entire Condominium Building through a period which is no less than six months from the date of the first closing and then each Unit Owner will reimburse the Sponsor for their proportionate share of the Real Estate Taxes at the Closing.

If Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six month period and may collect at each Unit 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 Sponsor or the Board of Managers as the case may be, will bill the Unit Owners for their proportionate share of the Real Estate Taxes in advance based on the Unit Owner's percentage of common interest as multiplied by the total taxes due to the City of New York. Unit Owners are to pay the taxes as billed by the Board of Managers or Sponsor and such charges shall be considered as a special assessment for enforcement purposes. The Sponsor may, in the alternative, pay the real estate taxes for the entire building for the tax year (or remainder of the year from the time of the First Closing to the

end of the tax year), and collect from each Unit Owner, at Closing their proportionate share of the real estate taxes for the said tax year, calculated by the total tax for the building multiplied by the percentage of Common Interest for each particular Condominium Unit. In the event that a refund is due to Unit Owners after the tax abatement, if any, is granted and implemented, then the refund received will be distributed to each Condominium Unit Owner based on their percentage of Common Interest, provided that they paid their proportionate share of the real estate taxes for the period for which the refund is issued. No escrow will be required if the Condominium By-Laws include as part of the Common Expenses, real estate taxes on the property until the Units are separately assessed and after assessment Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

It should be noted by Purchasers that the City of New York may increase the real estate tax rate at any time and if the real estate tax rate increases, then the real estate taxes to be paid by Purchasers would increase during the First Year of Condominium Operations or subsequently. Purchaser should be aware that the projections of real estate taxes are only projections and that actual real estate tax rates may increase further between the time a Purchaser signs a Purchase Agreement and the time that a Purchaser closing on title.

Block 6103, Lots 27 & 28 will eventually become individual Condominium Lot numbers.

In no event will Sponsor, Sponsor's counsel, Sponsor's special tax counsel, Sponsor's Real Estate Tax Consultant, Selling Agent, or any Offeror hereunder be liable to any Purchaser or person for differences between the estimated and actual real estate taxes.

NO WARRANTY, GUARANTY OR ASSURANCE IS GIVEN AS TO:

(i) Any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuations, tax rates or tax amounts during the First Year of Condominium Operations, the estimates of the portions of such assessed valuations that will be allocable to the Condominium Units and the projections of the average real estate tax rate will be in effect during such first or subsequent year of Condominium Operation and/or the rate of construction progress of the Condominium Building;

(ii) The figures or methods that the New York City Department of Finance will use to allocate the Property's aggregate assessed valuation between the Units, or the New York City Department of Finance will allocate the aggregate assessed valuation attributable to the Units among the different Units as described in this Offering Plan; or

(iii) The accuracy of any of the projections or estimates made in this Offering Plan and in Schedule A;

If the City of New York does not subdivide or apportion the real estate taxes prior to the first closing, then the real estate taxes for the Condominium Units, prior to subdivision into Condominium Unit tax lots (one for each Condominium Unit) will be determined by multiplying the total real estate tax for the applicable tax year by the percentage of Common Interest of each particular Condominium Unit. Each Unit Owner will be required to pay their proportionate share of the real estate taxes based on the foregoing until such time as the real estate taxes have been apportioned to each individual Condominium Unit by the City of New York. The Unit Owner shall pay to the Sponsor or to the Board of Managers, its proportionate share if the Sponsor or the Board of Managers has or will advance any sums for real estate taxes on behalf of all Unit Owners, with such sums due from the date of the closing of title by a Unit Owner to the end of the period of time which the Sponsor or Board of Managers will or has paid the appropriate real estate taxes.

As set forth in Sponsor's counsel's opinion letter, it is the opinion of Sponsor's counsel that the condominium will be eligible for tax-exempt status pursuant to Treasury Regulation 1.528-4(b) which provides that substantially all of the Units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units are used as such residences, if it elects such status, and unit owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the sponsor, the sponsor's counsel, the board of managers of the condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the condominium to cease to meet the requirements of section 528 of the Internal Revenue Code of 1986, as amended, or the New York State Tax Law, as amended, and cause the unit owners not to be entitled to income tax deductions (or which cause unit owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above). **The Condominium will qualify to make an election under Section 528 of the Internal Revenue Code of 1986.**

No tax certiorari proceedings are pending.

Article II, Section 2 of the Condominium By-laws provide the provision for the applicable to the review of real estate tax assessments. The Board of Managers has the power to and may commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate.

The income tax benefits expert is Rosen Law LLC, 216 Lakeville Road, Great Neck, New York 11020, (See opinion letters in Section W-1 of this Plan).

The real estate tax benefits expert is Rosen Law LLC, 216 Lakeville Road, Great Neck, New York 11020, (See opinion letters in Section W-2 of this Plan).

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

The following discussion of certain income tax consequences of the ownership of a Residential Unit as a personal Unit was prepared by Sponsor, based in part, upon the income tax opinion of Rosen Law LLC, counsel to Sponsor, a copy of which is set forth in the Offering Plan. Counsel is not a principal of Sponsor.

ROSEN LAW LLC, IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT PURCHASER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Residential Unit Owners

A Residential Unit Owner will own the Condominium Unit which he or she purchases and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, a Unit Owner may be entitled to deduct for Federal, New York State and in case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. A non-corporate Residential Unit Owner who itemizes their deductions will be entitled to a deduction in computing their taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to their Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed $750,000.00, or $375,000 in the case of a married individual filing a separate return, and (d) the Unit is a "qualified residence." The Federal limitation on the deduction for real estate taxes applies in the aggregate to, and is inclusive of, state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local taxes combined is $10,000 ($5,000 in the case of a married individual filing a separate return). The amount of any available deductions may vary due to changes in the interest rate, the allocation of constant debt service payments to interest, and state and local taxes. For some taxpayers, the foregoing deductions may also be impacted by the alternative minimum tax. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals. Purchasers are strongly encouraged to consult with their own tax professionals to ascertain the tax costs and benefits, if any, of ownership of a Unit. See the section "Income Tax Deductions to Unit Owners" set forth in Part I of the Offering Plan. Each Purchaser should consult with his or her own tax counsel, accountant or other financial advisor as to the tax consequences of the ownership of a Condominium Unit.

It is the opinion of Rosen Law LLC that a Residential Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest for interest on loans up to $750,000 and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers of up to $10,000 (including total real estate taxes and other state and local taxes).

No opinion is rendered with respect to the deductibility of any payments by the Non-Residential Unit Owners.

Tax Status of the Condominium

Ordinarily, a Condominium Board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met. The condominium may be subject to income taxes because if more than 15% of the floor area of the condominium is non-residential space. See the Condominium Budget for projected Income Taxes.

In order to elect such status,

a) the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

b) 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

c) 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

d) no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

e) substantially all of the Units must be used by individuals as residents; Treasury Regulation 1.528-4(b) provides that substantially all of the Units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units are used as such residences; and

f) the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

Under the Treasury regulations issued pursuant to Section 528, a Condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

SPONSOR'S COUNSEL STATES IN THE OPINION LETTER IN SECTION W-1 OF THIS PLAN THAT THE AFOREMENTIONED REQUIREMENTS WILL BE MET FOR A SECTION 528 ELECTION FOR AT LEAST THE FIRST YEAR OF OPERATION OF THE CONDOMINIUM.

Each Purchaser should consult with his or her own tax counsel as to the tax consequences of the Offering Plan and of the purchase of a Condominium Unit.

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W-1. OPINION OF COUNSEL – Income Tax Opinion Letter

ROSEN LAW LLC
Attorneys at Law

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T 561.899.9999
F 561.584.6434

April 11, 2025

368 Dev LLC
7909 10th Avenue,
Brooklyn, New York 11228

Re: The 368 & 372 92nd Street Condominium
368 & 372 92nd Street,
Brooklyn, New York

RE: INCOME TAX OPINION LETTER

Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal and New York State income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Residential Condominium Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Residential Condominium Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of (i) ownership of any Unsold Residential Condominium Units, any Residential Unit that is used for commercial or mixed residential/commercial purposes, or any Units other than the Residential Condominium Units, or (ii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Condominium Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Condominium Units will acquire their Residential Condominium Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential Condominium Unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes.

A non-corporate Residential Unit Owner who itemizes their deductions will be entitled to a deduction in computing their taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to their Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed $750,000.00, or $375,000 in the case of a married individual filing a separate return, and (d) the Unit is a "qualified residence." The Federal limitation on the deduction for real estate taxes applies in the aggregate to, and is inclusive of, state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local taxes combined is $10,000 ($5,000 in the case of a married individual filing a separate return). The amount of any available deductions may vary due to changes in the interest rate, the allocation of constant debt service payments to interest, and state and local taxes. For some taxpayers, the foregoing deductions may also be impacted by the alternative minimum tax. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals. Purchasers are strongly encouraged to consult with their own tax professionals to ascertain the tax costs and benefits, if any, of ownership of a Unit. See the section "Income Tax Deductions to Unit Owners" set forth in Part I of the Offering Plan.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes deductions and who uses his or her Residential Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Condominium Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Owners of the Residential Condominium Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

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

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

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve or Working

Capital funds and possibly income from assessments from the non-residential Unit Owners, if any (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes for purposes of Treasury Regulation § 1.528-4(b). Accordingly, assuming the Plan becomes effective during the taxable year ending **December 31, 2026** and there are no changes in the facts and/or the relevant provisions of current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the first year of operation of the Condominium.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to Condominiums. Because the By-Laws of the Condominium provide that the Boards will act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Residential Common Charges should not be considered income earned by the Condominium with respect to the Residential Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of Condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would not be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

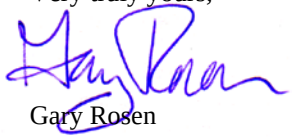
We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and

documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Rosen Law LLC, any of the Boards, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Condominium Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

In our opinion, the condominium will be eligible for tax-exempt status, if it elects such status, and unit owners will be entitled to income tax deductions (or the unit owners will be eligible for the real estate tax benefits described above). However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the Selling Agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the condominium to cease to meet the requirements of section 528 of the Internal Revenue Code of 1986, as amended, or the New York State Tax Law, as amended, and cause the unit owners not to be entitled to income tax deductions (or which cause unit owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

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,



Gary Rosen

IRS CIRCULAR 230 -- DISCLOSURE NOTICE: IRS Circular 230 regulates written communications about federal tax matters between tax advisors and their clients. To the extent the preceding correspondence and/or any attachment is a written tax advice communication, it is not a full "covered opinion". Accordingly, this advice is not intended and cannot be used for the purpose of avoiding penalties that may be imposed by the IRS regarding the transaction or matters discussed herein.

In addition, the materials communicated herein are intended solely for the addressee and are not intended for distribution to any other person or entity, or to support the promotion or marketing of the transaction or matters addressed herein. Any subsequent reader should seek advice from an independent tax advisor with respect to the transaction or matters addressed herein based on the reader's particular circumstances.

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W-2. OPINION OF COUNSEL – Real Estate Tax Opinion Letter

ROSEN LAW LLC
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April 11, 2025

368 Dev LLC
7909 10th Avenue, Brooklyn,
New York 11228

Re: The 368 & 372 92nd Street Condominium
368 & 372 92nd Street,
Brooklyn, New York

RE: REAL ESTATE TAX OPINION LETTER

Gentlemen:

You requested that we review the prospective Assessed Valuations (AV) of the subject Units after completion of construction.

THERE IS NO TAX ABATEMENT OR TAX EXEMPTION OF ANY KIND FOR THIS CONDOMINIUM BUILDING.

It is anticipated that on or about January 5, 2026, the New York City Department of Finance will reassess the real property based on a completed building. Upon reassessment, it is anticipated that the real estate taxes for the condominium building will be as follows:

A. The real estate taxes for the condominium building for the period July 1, 2025 through June 30, 2026 are anticipated to be $9,681, which is based on the Notice of Property Value dated January 15, 2025 issued by the New York City Department of Finance for the condominium property for the period July 1, 2025 through June 30, 2026.

B. It is anticipated that the assessed valuation for the Condominium Building for the 2026/2027 (July 1, 2026 through June 30, 2027) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2026 through June 30, 2026.

C. It is anticipated that the assessed valuation for the Condominium Building for the 2027/2028 (July 1, 2027 through June 30, 2028) tax year will be approximately $250,000. Based on a real estate tax rate of $20.085 per $100 of assessed valuation, it is anticipated that the real estate taxes on the condominium building will be approximately $50,212.50. It is anticipated that the tax classification will be Tax Class 1 for the period January 1, 2027 through June 30, 2027.

D. Based on the anticipated actual real estate taxes for the condominium building (i) for the period January 1, 2026 through June 30, 2026, the estimated real estate taxes for the said six month period is anticipated to

be $4,841, and (ii) for the period July 1, 2026 through December 31, 2026, the estimated real estate taxes for the said six month period is anticipated to be $25,106.

E. The real estate taxes anticipated for the condominium's first year of operations is $29,947.

The post-closing amendment to this Plan will state the amount of taxes paid by the Sponsor and the period covered.

If the condominium units have been apportioned prior to the first closing, then, in that event, each unit owner will be responsible for the payment of the real estate taxes on their unit commencing on the date of the Closing.

If the condominium units have not been separately assessed as of the first closing, the Sponsor will pay the real estate taxes through a period which is no less than six months from the date of the first closing. At each closing that occurs during that tax year, a unit owner will reimburse the Sponsor a proportionate share of the real estate taxes based on the unit's percentage of common interest.

The approximate date of completion of the Condominium Building will be in August 2025.

The estimated real estate taxes for each condominium unit for the first year of condominium operations are anticipated to be as follows:

Unit #	Estimate of Monthly Real Estate Taxes - 1/1/2026-12/31/2026	Estimate of Annual Real Estate Taxes - 1/1/2026-12/31/2026
1A	$723.71	$8,684.56
1B	$474.16	$5,689.88
2A	$723.71	$8,684.56
2B	$474.16	$5,689.88
P1	$24.96	$299.47
P2	$24.96	$299.47
P3	$24.96	$299.47
P4	$24.96	$299.47
	$2,495.56	$29,946.75

TOTAL ANTICIPATED REAL ESTATE TAXES JANUARY 1, 2026 THROUGH DECEMBER 31, 2026 ARE $29,946.75.

The actual real estate taxes would be apportioned to each Condominium Unit based on the percentage of common interest and then apportioned on a daily basis from the date of the closing to a period which is no less than six months from the date of the first closing. If any closings occur prior to each Unit being separately apportioned by the New York City Department of Finance, then the Sponsor will pay the real estate taxes due on the entire Condominium Building through a period which is no less than six months from the date of the first closing and then each Unit Owner will reimburse the Sponsor for their proportionate share of the Real Estate Taxes at the Closing.

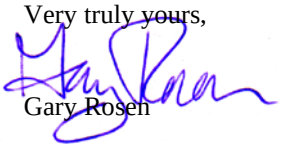
With regard to projected real estate taxes, after the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the nonpayment of taxes on other Units.

Purchasers should note that income tax deductions, if 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 the 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 the real property.

This is an opinion and not a guaranty of the projected real estate taxes. No warranties are made that the laws and regulations upon which this opinion is based will not be changed. In no event will we be liable to any party if the real estate taxes vary from the estimates set forth herein. This opinion is made only for the benefit of the addressee of this letter.

You may use this information in the Offering Plan.

Very truly yours,



Gary Rosen

X. RESERVE FUND

The Condominium will have a reserve fund in the amount of $3,000 which will be funded by Unit Owners through the payment of monthly common charges. The reserve fund will **ONLY** be used for capital expenditures of the Condominium and will be available to the condominium upon the First Closing.

The condominium's by-laws contain a provision authorizing the establishment of a reserve fund (See Part II, Section MM – Condominium By-Laws, Article II, Section "2(y)".

Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five years following the First Closing Date should such capital expenditures be needed.

In addition to the Reserve Fund, the budget for the First Year of Condominium Operations as set forth in this Plan provides for an amount for contingencies, which the Board of Managers may elect to use to apply to some or all of the costs of any such needed capital expenditures.

The Sponsor is not required to make any contributions to a Reserve Fund, except through payment of common charges for unsold units.

While the Sponsor controls the Board of Managers, the Reserve Fund may not be used to reduce projected common charges. There are no restrictions on the use of the Reserve Fund, however, the Reserve Fund may not be used to reduce monthly common charges while Sponsor is in control of the Board of Managers. The reserve funds will be turned over the Board of Managers at the First Closing.

Neither the New York State Department of Law nor any other governmental agency has passed upon the adequacy of the Reserve Fund.

Should monies be required by the Condominium for capital expenditures which are not funded by the Reserve Funds available, the Condominium Board could vote to obtain loans for required expenditures as provided by the New York Real Property Law. Real Property Law § 339-jj states:

> 1. To the extent authorized by the declaration or the By-Laws, the Board of Managers, on behalf of the Unit Owners, may incur debt. In addition, subject to any limitations set forth in the declaration or the By-Laws, the Board of Managers, on behalf of the Unit Owners, may incur debt for any of the purposes enumerated in paragraph (b) of subdivision two of section three hundred thirty-nine-v of this article, provided that (a) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a Unit and (b) the incurrence of such debt shall require the consent of a majority in common interest of the Unit Owners.
>
> 2. In connection with a debt incurred by it, the Board of Managers, on behalf of the Unit Owners, may (a) assign the rights in and to receive future income and common charges, (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds, (c) agree that, to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of subdivision two of section three hundred thirty-nine-1 of this article, all common charges received and to be received by it, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose, and (d) agree that at the lender's direction it will increase common charges to the extent necessary to pay any amount when due under any of the provisions of the agreements under which the debt was incurred. The preceding sentence shall not be construed to authorize the Board of Managers to create a lien on the Common Elements. Any such assignment may provide that, in the event of a default, the lender shall have the right of the Board of Managers to file liens in

the lender's name on Units for unpaid common charges pursuant to sections three hundred thirty-nine-z and three hundred thirty-nine-aa of this article and the right to foreclose such liens pursuant to section three hundred thirty-nine-aa of this article.

3. Nothing in this section shall impair rights under any loan or other agreement existing prior to the effective date of this section or limit any right or power that a Board of Managers would otherwise have.

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Y. WORKING CAPITAL FUND

In addition to the payment of the first month of common charges, pro-rated for the remaining number of days in the month from the date of closing, each Unit Owner will also pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time at the closing of title to his or her Unit for a Working Capital fund of the Condominium.

The Working Capital Fund will depend on the timing of the closing of title to individual Condominium Units and any expenditure made by the Condominium Board from such fund. The contribution is not refundable or transferable if Purchaser sells his or her Condominium Unit.

The initial Working Capital will be used for Working Capital and to pay for insurance premiums and other items in the budget which will be payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. While the Sponsor is in control of the Board of Managers of the Condominium, the Working Capital fund may not be used to reduce projected Common Charges of the Condominium. The purpose of the Working Capital fund is created by each Purchaser making a contribution equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time to provide initial funds to the Condominium so that the Condominium will have funds to operate.

The Sponsor will be responsible for all of the required operating expenses of the Property prior to the date of the closing of title to the first Unit pursuant to the Plan. The Condominium shall be required to pay all of the operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan.

The following items shall be apportioned between the Sponsor and the Condominium Board and further allocated by the Condominium Board as follows: a) water charges and sewer rents (unless separately assessed to Units) based on the fiscal year therefore, or, if there be water meters on the Property, the Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the closing of title to the first Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer rents, if any, based thereon for the interim shall be apportioned on the basis of such last reading; b) deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements which are assigned by the Sponsor to the Condominium; c) the cost of fuel on hand, if any, as estimated by the Sponsor's supplier and any other supplies on hand; d) insurance premiums for transferable policies, if any, which Sponsor transfers to the Condominium; e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees, if any; f) charges for electricity for the Common Elements; and g) operating expenses and any other prepaid items (including, without limitation, charges for oil and electricity for the Building, if applicable). In addition, the Sponsor shall pay all installments for assessments due prior of closing of title to the first Unit pursuant to the Plan and the Condominium shall pay all such installments due after such date. Adjustments for prepaid expenses between the Sponsor and the board of managers may be deducted only from the working capital fund. It is anticipated that there will be no substantial credit due to the Sponsor. There will be no minimum amount of funds in the working capital fund regardless of adjustments as set forth above.

Except as expressly provided in this Section of the Plan, Sponsor shall have no obligation to establish or make any contributions to a Working Capital fund or Reserve Fund of any kind with respect to the Condominium or the Property.

While the Sponsor is in control of the Board of Managers, the Sponsor's representatives shall not use the Working Capital Fund to reduce or decrease the monthly Common Charges projected in Schedule A, however, the Working Capital Fund may be used for building improvements.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Department of Law nor any other governmental agency has passed on the adequacy of the Working Capital Fund.

The Condominium Board could vote to obtain loans for required expenditures as provided by the New York Real Property Law.

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Z. MANAGEMENT, AGREEMENTS, CONTRACTS AND LEASES

Management.

The Condominium will be self-managed. The Board of Managers will be responsible for maintenance, decorations, repairs, cure violations, oversee service and maintenance contracts, purchase supplies, obtain insurance, pay bills, arrange moving in and out of units, billing and collections, attend to complaints, maintain accounting records, provide monthly statements, maintain books and records, assist in an annual audit and report, prepare a proposed budget, prepare Board of Managers or Unit Owner notices, and assist in correcting the assessed valuation of units. The Board of Managers will also be responsible for cleaning and maintaining the sidewalks in front of the Building, cleaning and maintaining the Common Elements, and bag and put out refuse on curb side for pick up in accordance with the schedule provided by the Department of Sanitation. While Sponsor controls the Board of Managers, Sponsor shall manage the building at no cost. Common Charges will increase if the Condominium retains a managing agent in the future.

The Board of Managers will be responsible for, among others:

a. Bill and collect Common Charges, maintenance charges, Assessments (if any), special Assessments (if any) and special charges (if any) from Unit Owners;

b. Establish and maintain bank accounts on behalf of the Condominium Board of Managers;

c. Disburse funds from the bank accounts of the Condominium Board of Managers;

d. Prepare and distribute annual reports to all Unit Owners within five (5) months after the end of each Fiscal Year;

e. Keep and maintain books and records for the Condominium Board of Managers in accordance with generally accepted accounting principles;

f. Execute and file tax returns and any instruments required of an employer under the Federal Insurance Contributions Act ("FICA"), the Federal Unemployment Tax Act, the United States Internal Revenue Code of 1986 and the Federal Income Tax Act and the filing of any similar state and local instruments;

g. Schedule and hold meetings of the Board of Managers of the Condominium including the preparation of and mailing of notices of meetings in accordance with the provisions of the Condominium Instruments and the Condominium Act;

h. Suggest amendments to the Rules and Regulations for the use and occupancy of the Condominium Units and Common Elements;

i. Maintain a complete roster of Unit Owners including names and mailing addresses;

j. Maintain records including financial books and records sufficient to identify the source of all funds collected by Manager and disbursement of funds;

k. Retain and employ attorneys, accountants and other professionals and experts whose services are required to effectively perform the management services;

l. Obtain and maintain all licenses and permits required to be obtained by the Condominium;

m. Operate the Condominium in compliance with the terms and conditions of the Condominium Instruments and with the requirements of any insurance carrier and any covenants and restrictions on the property;

n. Purchase (at the cost of the Unit Owners) and maintain inventories of consumable items used in the administration or operation of the Condominium, including but not limited to cleaning materials, stationery and similar items;

o. Investigate, or have others investigate, all accidents, estimate the cost to repair any damage or destruction to the Common Elements, and make written reports to the Board of Managers, as to all claims for damages relating to the Ownership, operation and maintenance of the Common Elements as the claims shall become known to Manager;

p. Prepare all reports required by any insurance company;

q. Engage third parties as required to provide services that are necessary or desirable for the operation and maintenance of the Common Elements of the Condominium;

r. Employ personnel consistent with the budget approved by the Board of Managers for the delivery of the management services (including the hiring of vendors and third parties);

s. Hire, terminate and promote personnel and hire and terminate vendors or third parties providing personnel;

t. Make periodic physical inspections of the Common Elements and render reports and recommendations to the Board of Managers;

u. Have the right to enter any of the Units as necessary, without prior notice, for emergency repairs to prevent damage to the Condominium building, any Unit or any element of the Common Elements, and for the purpose of abating any unlawful or prohibited activity (provided that except in cases involving manifest danger to the public safety or property, Manager shall make a reasonable effort to give notice to the Unit owner of any Unit to be entered into for such purposes);

v. Cause the Common Elements to be maintained, repaired and replaced in accordance with the Condominium Instruments; and

w. Procure and keep in full force all insurance and bonds required to be procured and maintained by the Condominium.

If the Board hires a management company to perform the aforestated services, the prevailing price for the management services is approximately $3,000 per year, subject to increases.

Indemnification:

The Condominium will defend, indemnify and hold harmless members of the Board of Managers from and against any and all costs, damages, claims, liabilities and expenses (including reasonable attorney's fees) arising from any claim by any person relating to the Condominium or any part thereof (including the Condominium, any Unit and the Common Elements), or directly or indirectly arising out of any defect or alleged defect in design or construction, or any death, injury to person or property damage occurring on or about the Condominium or any part thereof, or the conduct or operation of the Condominium or the performance of members duties or services provided that there is no willful misconduct or fraud of member.

The Condominium and the Board of Managers shall indemnify and hold the Managing Agent harmless from any lawsuits as a result of the actions of Managing Agent in its performance of its normal course of its duties and for any acts properly performed by the Managing Agent pursuant to the management agreement.

Contracts.

The Sponsor will not bind the Condominium to any contracts except to a fire sprinkler system contract. Sponsor will amend the plan to disclose information concerning the fire sprinkler system contract and any contracts if Sponsor enters into any contracts.

The Condominium will only be bound by contracts made by the Board of Managers. Sponsor will amend the plan to disclose information if Sponsor enters into any contracts.

Leases.

The Condominium will not be bound by any leases.

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AA. IDENTITY OF PARTIES

Sponsor.

The Sponsor of the Offering Plan and the Selling Agent is 368 Dev LLC.

The Sponsor's address is 7909 10th Avenue, Brooklyn, New York 11228.

The address for all Principals of Sponsors is 7909 10th Avenue, Brooklyn, New York 11228.

The Sponsor is a New York limited liability company organized on April 1, 2024.

The principals of Sponsor are Joseph Serrano and John Larocca.

Joseph Serrano and John Larocca are responsible for the day to day operations of the Sponsor. Joseph Serrano and John Larocca have had experience as principals of sponsor before.

The Sponsor, 368 Dev LLC, has no prior experience as a selling agent of Condominium Units.

Joseph Serrano and John Larocca have experience in real estate development. Joseph Serrano and John Larocca have been involved in the construction business and real estate development building and developing condominium projects for more than five years. Some of the projects that they have developed are listed below.

The following are the most recent offering plans for properties offered for sale by Sponsor's principal Joseph Serrano which were first offered within the past five years:

Name of Condominium: The 266 10th Street Condominium
Address: 266 10th Street, Brooklyn, New York
Sponsor: 266 Dev LLC
File No. CD-24-0282
Filing Date: October 2, 2024

Name of Condominium: The 1335 63rd Street Condominium
Address: 1335 63rd Street, Brooklyn, New York
Sponsor: 63rd Dev LLC
File No. CD-22-0184
Filing Date: June 13, 2023

Name of Condominium: The 210 Bay 7th Street Condominium
Address: 210 Bay 7th Street, Brooklyn, New York
Sponsor: 206-210 Bay 7th Street Brooklyn LLC
File No. CD-21-0100
Filing Date: November 16, 2021

The following are the most recent offering plans for properties offered for sale by Sponsor's principal John Larocca which were first offered within the past five years:

Name of Condominium: The 210 Bay 7th Street Condominium
Address: 210 Bay 7th Street, Brooklyn, New York
Sponsor: 206-210 Bay 7th Street Brooklyn LLC
File No. CD-21-0100
Filing Date: November 16, 2021

The following are cooperatives, condominiums and homeowners association, other than the subject buildings, where the Sponsor or principals of the Sponsor owns ten percent or more of the units as an individual, general partner or principal:

None.

Sponsors of the aforementioned offering plans are current in their filings with the New York State Department of Law.

The Sponsors and principals of Sponsor of the foregoing plans are current in its financial obligations, including, but not limited to, payment of mortgages, common charges, taxes, reserves or working capital fund payments, assessments, payments for repairs and improvements promised in the plans.

The term "Principal" as used herein shall mean a "Principal" as presently defined under the regulations of the Department of Law of the State of New York": Principal(s) means all individual Sponsor, all general partners of Sponsor that are partnerships, all officers, directors and shareholders of a corporate Sponsor that are actively involved in the planning or consummation of the offering, and all other individuals who both (i) own an interest in or control Sponsor and (ii) actively participate in the planning or consummation of the offering, regardless of the form of organization of Sponsor.

There are no other members in the Sponsor entity and only Joseph Serrano and John Larocca have participated in the Planning or consummation of the Condominium Plan.

Only Joseph Serrano and John Larocca are principals pursuant to 13 NYCRR §20.1(c)(2).

No principal of Sponsor has been convicted of a felony in the past fifteen years.

Sponsor has not been convicted of any felony nor filed for bankruptcy or had an injunction or judgment issued against Sponsor.

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

No principal of Sponsor and no individual who owns or controls a 10 percent or more equity interest in the Sponsor and no entities in which principals of the sponsor were principals, have filed any bankruptcies, have convictions, have had injunctions issued against him or have any judgments that may be material to the offering plan or to an offering of securities generally and that occurred within the 15 years prior to the submission of the proposed offering plan.

In regards to the open state tax warrant, the Sponsor has a payment plan with New York State to pay the $49,273 owed. The payment plan was approved on March 24, 2025 for payments to be made in the amount of $1,308.00 monthly for 60 months. The sponsor will pay in full at first closing.

Attorneys.

Rosen Law LLC, 216 Lakeville Road, Great Neck, New York 11020 represents the Sponsor in connection with all legal matters pertaining to this Offering Plan. Gary Rosen, Esq. and Jaime Rosen, Esq. prepared this Offering Plan.

Sylvester J. Sichenze, Esq., 7703 5th Avenue, Brooklyn, New York 11209 will represent the Sponsor in connection with the individual unit closings and is the Escrow Agent.

Selling Agent.

The Sponsor, 368 Dev LLC, 7909 10th Avenue, Brooklyn, New York 11228 is also the Selling Agent of the Condominium Units. The Sponsor has had no experience as the Selling Agent of any other Condominium project.

Architect.

The Sponsor's Engineer – Paul Lombardi, R.A., 527 Court Street, Suites C3, Brooklyn, New York 11231 is the project designer and architect. The Description of Property and Specifications set forth in Part II of this Offering Plan was prepared by and certified by Paul Lombardi, R.A. Mr. Lombardi is a licensed Registered Architect in the State of New York. The Sponsor's Engineer prepared the Floor Plans of Units set forth in Part II of this Offering Plan and the Floor Plans which will be filed with the New York City Real Property Assessment Department required in order to create the Condominium. Mr. Lombardi has experience providing architectural services for over ten (10) years for various residential and commercial projects in New York State. Lombardi was the project engineer for various projects including 40 Skillman Street, Brooklyn, New York, 182 Minna Street, Brooklyn, New York, and 1217 10th Avenue, Brooklyn, New York

Condominium Budget Expert.

Sponsor has engaged Gary Rosen, Rosen Law LLC, 216 Lakeville Road, Great Neck, New York 11020 as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B – First Year's Budget" in consultation with Sponsor. The Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget and a Certification as to the Adequacy of Common Charges which may be found in Part II of this Offering Plan. Gary Rosen has been a licensed real estate broker for approximately twenty (20) years and has prepared condominium budgets for numerous condominium developments and has managed over ten (10) properties.

Relationships.

There are no relationship between the Sponsor or its principal and the managing agent, engineer, architect, attorneys and any person or firm who will provide services to the Condominium subsequent to the commencement of condominium operation.

Neither managing agent, engineer, architect, attorneys relied upon by Sponsor have any interests in the Property, the Units, the Condominium, or this Offering, except for their fees for services rendered.

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BB. REPORTS TO THE UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(1) A financial statement of the Condominium prepared by a certified public accountant or public accountant within five months after the end of each fiscal year of the Condominium. Such statement shall be certified while the Sponsor is in control of the Board of Managers;

(2) At least thirty days prior notice of the annual Unit Owners' meeting; and

(3) A copy of the proposed annual budget of the Condominium at least thirty days prior to the date set for 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 20.4(d) of Part 20 of Title 13 NYCRR.

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CC. DOCUMENTS ON FILE

Pursuant to Section 352-e of the New York General Business Law, 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 a specified location for six (6) years from the date of first closing. In addition, the Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit.

The Declaration and the By-Laws will be recorded in the Office of the New York City Register prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Board of Managers at such time.

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DD. GENERAL

Pending Litigation

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the property, the Sponsor's capacity to perform all of its obligations under the Plan, the Condominium, or the operation of the Condominium.

Prior Offerings

To the Sponsor's knowledge, the property has not been the subject of any prior cooperative or Condominium offerings. There have been no preliminary binding agreements entered into and no money has been collected from prospective Purchasers. No contracts or agreements have been entered into by the Sponsor and no deposits or advances have been accepted as of the date this Offering Plan was accepted for filing with the Department of Law.

Sponsor has not tested the market pursuant to Cooperative Policy Statement No. 1. No reservations or deposits for Condominium Units have been taken by the Sponsor for any condominium unit.

Non-Discrimination

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

Right of Rescission

A Purchaser shall have the right to rescind Purchase Agreements following substantive or material revisions to the Offering Plan that adversely affects the Purchaser. If an amendment materially adversely affects the rights, obligations or liabilities of then existing Purchasers, or substantially and materially reduces the undertaking or obligations of the Sponsor, Purchasers shall have the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to the Sponsor not less than fifteen (15) days after the date of service of the amendment, and the Sponsor shall promptly refund any payments made by such Purchaser pursuant to his Purchase Agreement with interest earned thereon, if any, within fifteen (15) days of receipt of such notice of rescission. However, such rescission, as to Purchasers who are then tenants of the Building, shall be conditioned on the cancellation of any interim or other lease and surrender of possession of their Unit.

No Circumstances Existing Which May Affect Use or Enjoyment of Property

There are no circumstances presently existing which may affect use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation.

No Contracts Entered Into For Sale of Any Unit

No contracts or agreement have been entered into and no deposits or advances of funds have been accepted as of the date of this Offering Plan for any Condominium Unit.

All Units Are Vacant

All Units are vacant and not occupied by any tenants as of the date of this Offering Plan for any Condominium Unit.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents.

No person has been authorized to make any representation which is not contained herein. Information, data or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally.

The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective Purchasers. Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful review of the actual documents, some of which are set forth in Part II of the Plan and others of which are available for inspection by all prospective Purchasers at the office of the Sponsor. Therefore, prospective Purchasers and their attorneys and other, financial advisors should read the entire Plan, which consists of Part I and Part II, and should review all documents in connection with the Plan.

Window Guards, Carbon Dioxide Detectors and Smoke Detectors

Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers.

The Sponsor will install a smoke detector and a carbon monoxide detector in each residential Condominium Unit. The law requires the owners of the residential Condominium Units to maintain the carbon monoxide detectors.

Inconsistencies

In the event of any inconsistency between the provisions of this Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. In the event of any inconsistencies between the provisions of the Plan and the provisions of the Declaration and/or By-Laws, the provisions of the Plan shall govern until the Closing Date, following which, the provisions of the Declaration and By-Laws shall govern.

The remainder of this page is intentionally left blank.

EE. SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property, Specifications and Building Condition set forth in Part II, Section "II" of the 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.

There is no rehabilitation to be completed by Sponsor in the Condominium Building.

The certificates of occupancy for the Condominium Building as the Condominium Building will permit all uses as set forth in the Plan.

There are no official inspection reports reflecting upon condition of the premises, such as notices of building code violations, or any reports required by local law.

There are no inspection reports by a professional engineer or a registered architect retained by a group or association of tenants.

Records, reports, violations and any other information known or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards shall be included. Given the date of construction of the existing building, it is presumed that it may contain lead. The Property was constructed after 1978 and therefore the Units do not contain lead-based paint and lead-based hazards.

Date of Offering Plan: November 24, 2025
Brooklyn, New York

368 DEV LLC
Sponsor

PART II

FF. PURCHASE AGREEMENT

Table of Contents

1. **The Plan.**
2. **Definitions.**
3. **Agreement to Purchase.**
4. **Payment of the Purchase Price.**
5. **Closing of Title**
6. **Delivery of Deed and Unit Power of Attorney to the Board.**
7. **State of Title**
8. **Closing Adjustments**
9. **Closing Costs.**
10. **Federal Form 1099.**
11. **Payment; Moneys to be held in Trust**
12. **Binding Effect of Declaration, By-Laws and Rules and Regulations**
13. **Agreement Subject to Mortgage.**
14. **Mortgage Contingency. (Delete if inapplicable)**
15. **Default by Purchaser**
16. **Agreement Subject to Plan Being Effective**
17. **Sponsor's Inability to Convey the Unit**
18. **Fixtures, Appliances and Personal Property.**
19. **Acceptance of Condition of Unit; Changes in Materials; Selection of Colors; Exterior.**
20. **Damages to the Unit.**
21. **Sponsor's Right to Enter**
22. **Restriction on Purchaser's Right to Enter**
23. **No Representations**
24. **Warranty**
25. **Broker.**
26. **Agreement May Not Be Assigned, Unit Is Restricted From Resale.**

27. **Binding Effect**

28. **Notices.**

29. **Joint Purchasers.**

30. **Liability of Sponsor.**

31. **Further Assurances.**

32. **Severability.**

33. **Strict Compliance.**

34. **Governing Law.**

35. **Waiver of Jury**

36. **Entire Agreement**

37. **Gender, etc.**

38. **Captions.**

39. **Amendment of Purchase Agreement.**

40. **Successors and Assigns.**

41. **Attorneys.**

42. **Reporting.**

43. **No Third Party Beneficiaries.**

44. **New York State Real Property Transfer Gains Tax and New York City Real Property Transfer Tax.**

45. **Acceptance by Sponsor.**

46. **No Recordation.**

47. **Foreign Investment in Real Property Tax Act.**

48. **Rules of Construction.**

49. **Confidentiality.**

50. **Waiver of Diplomatic or Sovereign Immunity.**

51. **Purchaser to complete Form W-9 or Form W-8BEN**

52. **PDF copy or facsimile is deemed as an original**

53. **Inconsistencies**

SCHEDULE A – Permitted Exceptions

Inspection Statement / Punchlist

Purchase Agreement

The 368 & 372 92nd Street Condominium
368 & 372 92nd Street, Brooklyn, New York

AGREEMENT, made as of _____, 202__, between Seller / Sponsor and Purchaser (defined below).

W I T N E S S E T H:

368 Dev LLC, a New York limited liability company with an address of 7909 10th Avenue, Brooklyn, New York 11228, ("Seller" or "Sponsor") has promulgated a Plan of Condominium Ownership of The 368 & 372 92nd Street Condominium ("the Plan") pursuant to which the land with appurtenances and the Units ("the Units") being constructed thereon by Sponsor, located in the City of New York, Kings County, State of New York, will be declared to be a Condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, of which is hereby acknowledged, Sponsor and Purchaser and Rosen Law LLC as Escrow Agent mutually, agree as follows:

The name of the Condominium is The 368 & 372 92nd Street Condominium.

The name of the Sponsor is 368 Dev LLC, a New York limited liability company with an address of 7909 10th Avenue, Brooklyn, New York 11228.

The address of the Property is 368 & 372 92nd Street, Brooklyn, New York.

Purchaser agrees to sell to Purchaser the Condominium Unit designated as:

UNIT NUMBER (the "Unit")	
With its undivided interest equal to	**%**

of interest in the Common Elements appurtenant to such Unit.

The Purchaser's name, residence address, if an individual, or business address, if an entity is:

Name ("Purchaser")	
Address:	
City, State, Zip Code	
Purchaser's Telephone Number	
Purchaser's Social Security Number	
Purchaser's Attorney:	
Firm:	
Address:	
City, State, Zip Code	

Attorney's Telephone Number	
Attorney's Fax Number	
Attorney's Email Address	
The condominium being purchased will be:	Check one box: [ ] OWNER OCCUPIED [ ] **NOT** OWNER OCCUPIED

PURCHASE PRICE OF CONDOMINIUM UNIT	**$**
DOWNPAYMENT UPON EXECUTION OF PURCHASE AGREEMENT BY PURCHASER	**$**
BALANCE OF PURCHASE PRICE DUE AT CLOSING	**$**
MORTGAGE AMOUNT ("MORTGAGE AMOUNT")	**$ none – (This Purchase Agreement is NOT contingent upon financing)**
The Selling Agent or Real Estate Broker is:	

1 The Plan.

1.1 PURCHASER ACKNOWLEDGES HAVING RECEIVED AND READ A COPY OF THE OFFERING PLAN FOR THE 368 & 372 92ND STREET CONDOMINIUM AND ALL AMENDMENTS THERETO, IF ANY, FILED WITH THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK AT LEAST THREE (3) FULL BUSINESS DAYS PRIOR TO EXECUTING THIS AGREEMENT. If Purchaser has not received and read the Offering Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified mail, return receipt requested, or by personal delivery, in either case within seven (7) days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent or Sponsor's Attorney. If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Offering Plan, then such conflict or inconsistency shall be resolved in favor of the Offering Plan.

The Offering Plan, including the Schedules, the Declaration, By-Laws and Exhibits and any filed amendments are hereinafter collectively referred to as the "Plan". In the event of any inconsistency between the provisions of the Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. Purchaser also acknowledges and agrees that the Plan may be amended from time to time by the Sponsor and any such amendment shall neither excuse Purchaser from performing any of its obligations hereunder nor entitle Purchaser to any abatement in the Purchase Price. Any such amendments (i) may be made without Purchaser's consent or approval, except as otherwise provided in "Changes in Prices or Units" and the other provisions of the Plan, and (ii) shall not entitle Purchaser to a right of rescission, except as set forth in the Plan. Purchaser acknowledges that Purchaser has had a full opportunity to examine all documents referred to in the Plan and investigate all statements made in the Plan. Terms not defined in this Agreement shall have the meanings given them in the Plan.

1.2 Purchaser has been given an opportunity to examine the architectural Plans for the above Unit and for the building in which it is located.

1.3 The Plan, which includes the Declaration of Condominium and By-Laws, is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. Purchaser should carefully read the Plan as it contains important provisions regarding rights and obligations under this Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

2. Definitions.

2.1 Terms used herein which are also used in the Plan shall have the same meanings herein as in the Plan unless the context otherwise requires.

3. Agreement to Purchase.

3.1 Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the above described Unit together with the above-stated Common Interest appurtenant thereto (collectively "Unit") for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement.

4. Payment of the Purchase Price.

The Purchaser shall deliver herewith, to the Sponsor, Purchaser's check to the order of the "Sylvester Sichenze, Esq., Client Funds Account " as escrow agent under the Plan for The 368 & 372 92nd Street Condominium, for the amount of the above-stated Down Payment, subject to collection. The balance of the Purchase Price shall be paid to Sponsor at Closing or as Sponsor directs payment.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by Purchaser under this Agreement (including without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Sponsor, shall be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association payable to the order of the Sponsor, subject to collection.

If any check for any payment to be made by Purchaser under this Agreement (including without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by Purchaser hereunder and Sponsor may, in that event, cancel this Agreement and notwithstanding such cancellation, be entitled to recover the amount of such check in addition to any other sums Sponsor may be entitled to under this Agreement and, in such event, Purchaser shall reimburse Sponsor for the costs and expenses (including, but not limited to, reasonable attorneys' fees) of collection of any such check or other instrument).

At the request of Sponsor on Closing, Purchaser shall pay balance of the Purchase Price to such payees as Sponsor shall direct. At Sponsor's option, Purchaser may be required to pay part or all of the balance of the Purchase Price by electronic transfer.

Cybercriminals attempting to steal large sums of money are targeting email accounts of parties involved in real estate transactions throughout the world. In the event that a Purchaser, or their attorneys or lenders, or title insurance companies, or title abstract companies sends or attempts to send a federal funds wire or wires to the Sponsor, Sponsor's counsel, Sponsor's lenders, or Sponsor's title insurance company (collectively the "Sponsor Parties"), and such federal funds wire or wires are not received by the Sponsor Parties, solely due to cybercriminal activity that is not due to the fault of Sponsor parties, the Sponsor and Sponsor Parties shall not be responsible for, or liable for the funds that were sent on Purchaser's behalf. If the funds due to the Sponsor and Sponsor Parties are not actually received by Sponsor and/or the Sponsor Parties, it shall be deemed that the monies were not paid by the Purchaser to the Sponsor. In the event that monies sent by Purchaser and/or Purchaser Parties to Sponsor and Sponsor Parties are not received by Sponsor and Sponsor Parties, the Purchaser would still be liable to Sponsor and no deed will be delivered to Purchaser without full payments due to Sponsor in accordance with the terms and conditions of the Purchase Agreement. A purchaser's failure to pay the sum due on the closing date as result of cybercriminal interception of wired funds shall not be deemed an event of default

5. Closing of Title

5.1 The Closing of title shall occur at the offices of Sponsor's attorneys or at such other place as Sponsor shall designate and at a time and on a date ("Closing Date") designated by Sponsor which is not earlier than thirty (30) days after the Plan has been declared effective provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan. Sponsor shall give Purchaser notice of the scheduled Closing Date at least thirty (30) days in advance thereof. Sponsor shall have the

right to adjourn the date of Closing of title from time to time by written notice to Purchaser. If the Closing is adjourned by Sponsor, then Sponsor shall fix a new date and time for Closing and shall give Purchaser not less than ten (10) days prior written notice of the new scheduled date and time for Closing. Closing of title shall occur only after or concurrently with compliance with the requisites to Closing set forth in the Plan. Notwithstanding the foregoing, if the date of this Purchase Agreement is after the Closing of the sale of the first Unit under the Plan, then the Closing Date shall be that date which is 45 days after the date of this Agreement and Sponsor shall not be required to give Purchaser notice of the Closing Date. Purchaser may waive the applicable notice period by execution of a waiver in the form set forth as Schedule "A-1" to the Purchase Agreement.

5.2 The term "Closing Date" or "Closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is to be delivered to Purchaser or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

5.3 Title to the Unit will close only after or concurrently with the occurrence of the events required under the Plan.

5.4 In the event the dwelling or its environs are not complete on the date set by the Sponsor for Closing of title, same shall not constitute an objection to Closing title, provided the Sponsor shall, by letter agreement to survive title Closing, agree to complete any open items within a reasonable time after Closing, weather and circumstances permitting.

5.5 At the Closing of title the Sponsor will deliver the usual certificates available and it is further agreed that title will not close until either a temporary or Permanent Certificate of Occupancy has been issued covering the building in which the Unit is located. Prior to issuance of a final Certificate of Occupancy no structural changes shall be made to either the interior or exterior of Purchaser's Unit without prior written consent from the Sponsor. If any changes are made, by the Purchaser and final Certificate of Occupancy cannot be issued because of such changes, the Sponsor shall make such alterations to the structure to meet the building department requirements at full cost to the Purchaser, and the Purchaser shall further be liable to the Sponsor for any escrow monies held for the procurement of the final Certificate of Occupancy.

6. <u>Delivery of Deed and Unit Power of Attorney to the Board</u>.

6.1 At the Closing of title on the Closing Date, upon receipt by Sponsor of all payments and documents required hereunder, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser, substantially the form contained in Part II of the Plan, conveying the Unit to Purchaser as provided in the Plan, subject to the exceptions referred to on Schedule "A" annexed hereto, in the Declaration, By-Laws, the Plan and Exhibits thereto. The deed shall be executed and acknowledged by Sponsor, and shall be in form for recording.

6.2 Purchaser shall pay all New York State and New York City Real Property Transfer Taxes and the cost of recording all documents delivered or executed at the Closing.

6.3 Sponsor and Purchaser shall duly execute and swear to a New York State Transfer Tax Return and New York City Real Property Transfer Tax return and any form then required by law, all of which shall be prepared by Sponsor.

6.4 At the Closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, the Purchaser shall execute and acknowledge a Power of Attorney to the Board of Managers prepared by Sponsor and substantially in the form set forth in Part II, Section "GG" of the Plan, and Purchaser shall pay any net adjustments in favor of Sponsor, Purchaser's Closing costs and fees and any processing fees, as provided in the Plan, and pay to the Condominium the contributions to the Working Capital Fund required to be made by each Purchaser as provided in the Plan, together with all other payments to or deposits with the Condominium as may be provided in the Plan.

6.5 The Deed and Power of Attorney to the Board of Managers shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's

attorney) for recording in the Office of the New York City Register. After being recorded, the deed shall be returned to Purchaser and the Power of Attorney shall be sent to the Board of Managers.

6.6 Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by 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. All provisions contained in the Offering Plan shall survive delivery of the deed.

7. State of Title

On the Closing Date, Sponsor shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. Sponsor shall have no obligation to cause Purchaser's title company, if any, to omit any exceptions to title. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or Prior to the Closing of title to the proper party or Purchaser's title insurance company together with the recording or filing fee or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or it will not be enforced against the Unit if it is not a lien. Although Purchasers are free to use any title insurance company that they choose, title Insurance will be available from First American Title Insurance Company through its agent, Regal Title Agency, 90 Broad Street, 18th Floor, New York, New York 10004, although Purchasers are free to use any title insurance company that they choose.

8. Closing Adjustments

8.1 The following adjustments shall be made as midnight of the day preceding the Closing Date with respect to the Unit, except as provided in the Plan:

a. If the Unit is separately assessed as of the Closing Date, then, real estate taxes and assessments against the Unit (if any) on the basis of the period for which assessed;

b. If the Unit is not separately assessed as of the Closing Date, then adjustments for real estate taxes and assessments against the Unit shall be calculated based upon the product of the real estate taxes and assessments against the entire building on the basis of the period for which assessed multiplied by a fraction of which the numerator is the Common Interest appurtenant to the Unit and the denominator is 100% (Example, the common interest of the Unit is 15% = 15%/100%).

c. Common Charges for the month in which title closes;

d. Accrued rent and any other charges pursuant to the lease, if any, covering the Unit; and

e. The "Customs in Respect of Title Closings" recommended by the Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

f. Other Customary Adjustments, including water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

8.2 If the Closing of title occurs before the tax rate is fixed, adjustments of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title.

8.3 If Purchaser fails to close on the Closing Date for any reason, then (i) the Closing adjustments shall be made as of midnight of the day preceding the Closing Date originally specified by the Sponsor (or the originally scheduled Closing Date specified in this Agreement, as the case may be) and (ii) Purchaser shall pay to Sponsor, as a late fee, an amount equal to 0.03% times the unpaid balance of the Purchase Price for such Owner's Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately

preceding the actual Closing Date. (The 0.03% rate as set forth above is an annualized rate of 10.95% per annum). The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the Closing for any reason or is in default.

8.4 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive Closing of title.

9. Closing Costs.

9.1 Purchaser will pay the Closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Closing Costs and Adjustments".

9.2 To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Sponsor at the Closing for such Unit the amount of any such credit.

9.3 Purchaser will pay legal fees of Purchaser's counsel, if any.

9.4 Purchaser will pay any net adjustments in favor of Sponsor, if any.

9.5 Purchaser shall be required to pay Inspection fees to any Inspector hired by Purchaser, if any;

9.6 Intentionally omitted;

9.7 Purchaser shall be required to pay appraisal fees, if any, required by Purchaser or Purchaser's lender;

9.8 Purchaser shall be required to pay the actual costs for title examination and policy insuring the Lender's and/or owners interest;

9.9 Purchaser shall be required to pay to the any lender's attorneys' fees for preparation of all loan documents;

9.10 Purchaser shall be required to pay to its mortgage lender all commitment fees, points, origination fees and other fees and charges (howsoever characterized) imposed or exacted by the Lender or incurred by Sponsor or Purchaser in connection with Purchaser's mortgage loan, if any;

9.11 Purchaser shall be required to pay to the title company or to the appropriate governmental authority, mortgage recording taxes, if any;

9.12 Purchaser shall be required to pay to the to the title company or to the appropriate governmental authority, governmental charges which may be assessed on account of the mortgage loan;

9.13 Purchaser shall be required to pay to the title company or to the appropriate governmental authority, the New York State Real Estate Transfer Tax and New York City Real Property Transfer Tax on the conveyance; Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying such taxes instead of Sponsor. Due to a change in the New York State Tax Law, Section 1404(a), as of July 1, 2021, the New York State Transfer Tax and Mansion Tax are no longer increased if a purchaser is paying the New York State Transfer Tax and Mansion Tax. The Amended Tax Law can be accessed at the following web address: https://www.nysenate.gov/legislation/laws/TAX/1404. The calculation of the "taxable basis" for RPT Tax (i.e. by adding RPT Tax, State Transfer Tax, and Sponsor Closing Fees to the Purchase Price) remain unchanged by virtue of the Amended Tax Law. Sponsor and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Sponsor;

9.14 Purchaser shall be required to pay taxes required under New York Tax Law §1402-a and similar laws also known as the "Mansion Tax", if any, on the deed; Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying

such taxes instead of Sponsor. While the New York State and New York City Transfer Taxes are customarily paid for by the Seller in single family home transactions, the burden of paying such taxes may be modified by contract. The New York State and New York City Transfer Taxes shall not be payable, directly, or indirectly, by the purchaser except unless the same is explicitly provided for under the purchase agreement between sponsor and purchaser. As is common with many other Condominium developments in the State of New York, the Purchase Agreement for this Condominium imposes this obligation on purchaser, providing that the Purchaser of a Condominium Unit will be required to pay the New York State and New York City Transfer Taxes at the Closing;

9.15 Purchaser shall be required to pay all recording and filing charges payable to any public official;

9.16 In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall inure to the benefit of the Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. In this regard, Purchaser further agrees that if requested by Sponsor, Purchaser shall fully cooperate with Sponsor in all respects in connection with the severance and assignment of a portion of the mortgage indebtedness encumbering the Property (the "Existing Indebtedness") in an amount not to exceed Purchaser's loan amount, the assignment of the severed portion to Purchaser's lender and the consolidation of such severed portion of the Existing Indebtedness with Purchaser's mortgage. Purchaser shall use all reasonable efforts to cause Purchaser's lender to accept assignment of such severed portion of the Existing Indebtedness and the consolidation thereof with Purchaser's mortgage. At the Closing, Purchaser shall reimburse Seller for the full amount of the mortgage recording tax savings resulting from such severance and assignment;

9.17 Purchaser shall be required to pay to the Board of Managers of The 368 & 372 92nd Street Condominium an initial non-reimbursable Working Capital contribution in the sum equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time;

9.18 Purchaser shall be required to pay to the title company or to the appropriate governmental authority, the required fees for recordation or filing of the Unit Power of Attorney in favor of the Board of Managers to be executed by Purchaser at Closing;

9.19 Purchaser shall be required to pay to the Board of Managers of The 368 & 372 92nd Street Condominium the first month's Common Charges to the Condominium;

9.20 Purchaser shall be required to pay to the Sponsor or Sponsor's attorneys a fee in the sum of $3,500.00[2] for each Unit purchased which will cover the document preparation fees and other fees and expenses of processing the sale of the Unit, at the same time as the balance of the purchase price for the Unit is due and payable hereunder;

9.21 Purchaser shall be required to pay to the Sponsor an additional attendance travel fee if the Closing does not occur at the offices of Sponsor's attorney as stated in the Offering Plan;

9.22 Purchaser may adjourn the Closing Date which is set forth in the Purchase Agreement one time for an adjourned period of up to 15 days. If the Purchaser adjourns the Closing as permitted herein, then the adjourned date is made "time of the essence". Purchasers shall pay to Sponsor's counsel the sum of $500.00 if Purchaser does not close title to his or her Unit on the date stated in the Notice of Closing or if the Purchaser's lender requires the Closing to be at a place other than that indicated in the Notice of Closing.

9.23 Purchaser shall be required to pay to the Sponsor or Sponsor's attorneys a fee in the sum of $150.00 for the preparation of ACRIS documents required for the recording of the deed;

[2] See Section P(I)(E) of the Offering Plan for possible other charges.

9.24 Purchaser shall be required to pay to the Sponsor a reimbursement fee of $3,500.00 at the time of the closing to reimburse the Sponsor for costs and filing fees for the filing of the condominium offering plan with the New York State Department of Law.

10 Federal Form 1099.

10.1 The party required by law to file an Internal Revenue Service Form 1099 with respect to the sale of the Unit pursuant to the Internal Revenue Code shall do so.

11 Payment; Moneys to be held in Trust

11.1. Sylvester J. Sichenze, Esq., with an address at 7703 5th Avenue, Brooklyn, New York 11209, telephone number 718-680-0400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Sylvester J. Sichenze, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

11.2 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.

11.3 Escrow Agent will establish the escrow account at TD Bank, 8206 5th Avenue, Brooklyn, New York 11209, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Sylvester Sichenze, Esq., Client Funds Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

11.4 All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Sylvester Sichenze, Esq., Client Funds Account, as Escrow Agent.

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

11.6 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, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

11.7 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, New York 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.

11.8 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.

11.9 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 a post-Closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

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

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

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

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

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

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.

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

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

11.13 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).

11.14 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.

11.15 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.

11.16 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.

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

11.18 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.

11.19 As an alternative to depositing Down Payments in an escrow account as set forth above, Sponsor may post a bond or indemnity contract with a licensed surety company, in accordance with regulations adopted by the Attorney General, insuring return of such monies, a copy of which bond or contract shall be delivered to the Purchaser.

11.20 Down Payments will be retained in escrow or bonded as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds (due to inability to obtain financing or otherwise) or defaults in performance, thereby excusing performance by Sponsor, or (iii) release or discharge of Sponsor's liability to refund such Down Payment, or (iv) upon transfer of title to the Unit to the Purchaser, or by mutual consent of Sponsor and Purchaser.

11.21 The required Down Payment pursuant to this Agreement will be 10% of the Purchase Price for the Unit set forth in the Plan, as amended, which Down Payment shall be increased by special work or materials, if any, offered by Sponsor and ordered by Purchaser as itemized in Addendum No. 1 of this Agreement. If there is no special work or materials to be included, then no Addendum No. 1 will be attached hereto.

12. Binding Effect of Declaration, By-Laws and Rules and Regulations

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

13. Agreement Subject to Mortgage.

13.1 Purchaser agrees that all terms shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or ,which may hereafter be made or incurred, pursuant to the terms thereof or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule or Payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph, however, on the Closing Date the Unit will be delivered by Sponsor free of any mortgage liens.

14. No Mortgage Contingency.This Purchase Agreement is NOT Contingent Upon Purchaser Obtaining a Mortgage Loan.

The Purchase Agreement is not contingent upon a purchaser obtaining a mortgage loan.

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

Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

The Purchase Agreement is not contingent upon a purchaser obtaining a mortgage loan.

Purchaser may obtain financing, however, the Purchase Agreement is not contingent upon the Purchaser obtaining mortgage financing. The Sponsor is not offering or procuring mortgage financing for the Purchaser(s). If the Purchaser(s) obtains financing (even though the Purchase Agreement is not contingent upon the Purchaser obtaining financing), the Purchaser's debt service will be an additional expense. The projected carry charges do not include certain costs for which the Unit Owner is responsible such as repairs to the interior of the Unit, separately metered electricity, heat, air conditioning and cable television service.

Unless there is a financing contingency provided for in the Purchase Agreement, any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

15. Default by Purchaser

The time for the payment of the balance of the Purchase Price and the performance of Purchaser's obligations under this Agreement may be made TIME OF THE ESSENCE by the Sponsor in accordance with the terms of the Offering Plan.

The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay any Additional Deposit on the date set forth in this Agreement if required, Purchaser's failure to pay the Balance of the Purchase Price, or any Closing adjustment or Closing cost required to be paid by Purchaser as set forth in the Plan or in this Agreement, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Offering Plan;

(iii) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(iv) If a non-bankruptcy trustee or receiver is appointed over the Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(v) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(vi) Purchaser's assignment of this Agreement without the prior written consent of Sponsor; or

(vii) An Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property.

Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to (i) cancel this Agreement or (ii) seek specific performance of this Agreement. If Sponsor elects to cancel this Agreement, Purchaser shall have thirty (30) days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit, if any. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have thirty (30) days from the giving of notice of Sponsor's election to close on the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared.

In the event Purchaser fails to close title on the designated date and Purchaser seeks a 15 day adjournment which shall be time of the essence, then (a) Purchaser shall Pay Sponsor interest at the rate of 10.95% per annum on the entire amount of the purchase price computed from the original Closing Date until this transaction is actually closed and (b) all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date.

16. Agreement Subject to Plan Being Effective

16.1 The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan.

16.2 The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan.

16.3 Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if title to the Unit does not close within the time set forth in this Purchase Agreement for any reason other than Purchaser's default, this Agreement shall be deemed canceled and, not later than thirty (30) days thereafter, Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and upon making such payment, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

17. Sponsor's Inability to Convey the Unit

17.1 The parties hereby agree that the Sponsor may cancel this Agreement by forwarding its check in the full amount paid by the Purchaser, together with a notice in writing, addressed to the Purchaser at their address hereinabove set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department of subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials from its regular suppliers or from using same in the construction and/or completion of the Unit; or (b) that the Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements or national emergencies, or the installation of public utilities is restricted or curtailed; (c) that economic conditions are such that the Sponsor cannot obtain labor and or materials in quantities and/or at prices presently contemplated; (d) any occurrence, delay, accident, or act of God which limits Sponsor's ability to promptly perform under the terms of this Purchase Agreement; or (e) that the installation of utilities is delayed, restricted or curtailed; (f) that should any zoning or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of the residential housing and appurtenances conveyed hereunder, either presently

in effect, or as enacted or promulgated in the future, create or impose requirements upon the Sponsor which are not presently contemplated, this Purchase Agreement may be canceled with notice as hereinabove provided.

18 Fixtures, Appliances and Personal Property.

18.1 Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

19 Acceptance of Condition of Unit; Changes in Materials; Selection of Colors; Exterior.

19.1 Subject to applicable law and regulations, purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (i) minor details of the Unit or the Building in which it is located or (ii) other Units or (iii) the landscaped areas or (iv) other portions of the Common Elements have not been completed. Purchaser will examine Purchaser's Unit with a representative of the Sponsor during normal business hours prior to the Closing Date and will sign and deliver to Sponsor on or before the Closing Date an inspection statement acknowledging the condition in which Purchaser has received the Unit. Notwithstanding the foregoing, no changes will be made in the size or number of units and/or their respective percentages of common interest, and that 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 the sponsor for that unit and the purchaser is not in default.

19.2 Subject to applicable law and regulations,the Sponsor reserves the right to (i) make changes or substitutions of materials or construction for items as set forth in the Plan, models or Building Plans, provided any such changes are of equal or better value and quality, (ii) determine the exterior color and design, location of building, grading and design of all plots and dwellings to fit into the general pattern of the Community and to comply with requirements of law, (iii) determine elevation and location of foundations, walks, entrances, stoops and patios to conform with topographical conditions. The Sponsor agrees to notify Purchaser of any material changes, specifications, deviations, additions or deletions which may materially adversely affect Purchaser and as otherwise required by the Plan. Notwithstanding the foregoing, no changes will be made in the size or number of units and/or their respective percentages of common interest, and that 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 the sponsor for that unit and the purchaser is not in default.

19.3 It is further agreed that wherever the Purchaser has the right to make a selection of construction changes, optional extras, colors, fixtures and/or materials, he shall do so within five (5) days after demand therefore. The selections are to be made at Sponsor's sales and display offices or as otherwise directed by Sponsor. In the event the Purchaser fails to make such selection within such period, the Sponsor shall have the right to use its own judgment in the selection of colors, fixtures and materials and the Purchaser shall accept the same. Such written demand shall be made by ordinary mail addressed to the Purchaser at the address herein set forth.

19.4 Any extras by Purchaser shall be paid for in full at the time of the order. If for any reason the Sponsor fails to install said extras in accordance with the work order, the limit of the Sponsor's liability is a refund of the amount of the charge. Purchaser shall not be entitled to a refund of amounts paid on account of extras or changes for any reason whatsoever, including the failure of the lending institution to approve their Purchase Money Mortgage. Construction must proceed by a scheduled Plan. Any items not paid for cannot be installed and construction will not be delayed for ordered items not paid for in advance. Selection of any extras also cannot hold up the Progression of any job. If delays are deemed unreasonable by Sponsor, Sponsor has the right to complete the job according to standard specifications, and will return to Purchaser any sums of money paid to him for extras not actually installed. Purchaser will be entitled to a refund of sums paid to Sponsor for the cost of special work not incurred by Sponsor.

20 Damages to the Unit.

20.1 If between the date of this Agreement and the Closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

20.2 Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser. Prior to the first closing, Sponsor may, at Sponsor's option abandon the Plan or to repair or to replace such loss or damage. If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force or effect. Purchaser shall not have the right to reject title or receive credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time 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 Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.3 In the event of damage to or destruction of the Unit by fire or other casualty prior to the Closing of title, and if 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 or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with interest earned thereon, as and for liquidated damages.

21 Sponsor's Right to Enter

21.1 The Purchaser does hereby authorize and grant to the Sponsor the irrevocable right to enter into, upon and over and under the Unit as provided in the Plan, for such purposes as may be reasonably necessary for the Sponsor or his agents to complete the project of which this Unit is a part. Any damages incurred shall be repaired at the cost of the Sponsor. Purchaser agrees to do nothing that will prevent the Sponsor from obtaining a Certificate of Occupancy for these premises. This provision shall survive delivery of the deed.

22 Restriction on Purchaser's Right to Enter

22.1 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 (except if Purchaser and Sponsor enter into an Interim Lease) 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 him 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 Purchase Agreement shall be deemed canceled. 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 the Closing of title herein.

22.2 Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Unit within the seven (7) calendar day period prior to the Closing Date. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule A-5 to this Agreement) and deliver same to the Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the three (3) day period prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit "as is". However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

22.3 Any work set forth on the Inspection Statement may be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the Closing in order to complete punch list work. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punch list items.

23 No Representations

23.1 Except as specifically set forth herein or in the Plan, Purchaser acknowledges that he has not relied upon any architect's Plan, sales Plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Sponsor, Sponsor's Counsel or Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Subject to the requirements of applicable law and regulations, purchaser agrees that Sponsor shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the Floor Plans or on the architectural Plans and specifications for the Building or site Plan are not accurate or correct provided such layout or dimensions conform substantially to the Floor Plans and the architectural Plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan. The provisions of this Article shall survive the Closing of title.

24 Limited Warranty

24.1 LIMITED WARRANTY – THE LIMITED WARRANY SET FORTH IN PART II, SECTION "JJ" ANNEXED HERETO AND INCORPORATED HEREIN BY REFERENCE (THE "LIMITED WARRANTY") IS IN PLACE OF AND EXCLUDES THE HOUSING MERCHANT IMPLIED WARRANTY, AS DEFINED IN ARTICLE 36-B OF THE NEW YORK GENERAL BUSINESS LAW, AS SAME MAY BE AMENDED FROM TIME TO TIME, AND ALSO EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH THIS PURCHASE AGREEMENT AND THE CONSTRUCITON AND SALE OF THE RESIDENTIAL UNIT. SPONSOR MAKE NO HOUSING MERCHANT IMPLIED WARRANTY AND, EXCEPT AS EXPRESSLY SET FORTH IN THE LIMITED WARRANTY, SPONSOR MAKE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THIS PURCHASE AGREEMENT AND THE CONSTRUCTION AND SALE OF THE RESIDENTIAL UNIT, WHICH EXTEND BEYOND THE FACT THEREOF.

24.2 PRIOR TO THE EXECUTION OF THIS PURCHASE AGREEMENT BY PURCHASER, PURCHASER ACKNOWLEDGES THAT SPONSOR HAS SUPPLIED TO PURCHASER FOR EXAMINATION AND PURCHASER HAS RECEIVED, READ AND UNDERSTOOD A WRITTEN COPY OF THE EXPRESS TERMS OF THE LIMITED WARRANTY.

24.3 THIS PARAGRAPH "24" SHALL SURVIVE DELIVERY OF THE DEED.

24.4 PURCHASER ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE LIMITED WARRANTY WHICH IS SET FORTH IN THE OFFERING PLAN HAS BEEN PROVIDED FOR THE PURCHASER'S EXAMINATION PRIOR TO THE TIME OF THE PURCHASER'S EXECUTION OF THIS AGREEMENT.

24.5 Mold. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability,

breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title.

25. Broker.

25.1 Purchaser represents to Sponsor that the real estate broker named above is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to separate agreement. Purchaser agrees that should any claim arising in connection with purchaser's broker's scope of work for the purchaser be made against Sponsor for Commissions by any broker, other than the broker named above, on account of any acts of Purchaser or Purchaser's representative, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees, if Sponsor prevails. The provisions of this article shall survive the Closing of title.

26. Agreement May Not Be Assigned.

26.1 Purchaser shall have no right to assign this agreement without the prior consent in writing of Sponsor. Any purported assignment of this Agreement in violation hereof shall be voidable at the option of Sponsor.

27. Binding Effect

27.1 Within thirty (30) days after delivery by Purchaser to Sponsor or to Sponsor's agent of this Agreement as executed by Purchaser, Sponsor will either (a) accept this Agreement and cause it to be returned to Purchaser a fully executed counterpart thereof, or (b) reject this Agreement and refund the Down Payment tendered by Purchaser. THE SUBMISSION OF THIS AGREEMENT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS AGREEMENT SHALL NOT BE BINDING UPON SPONSOR UNLESS AND UNTIL IT IS EXECUTED AND DELIVERED BY BOTH PURCHASER AND SPONSOR AND, IN SUCH EVENT, SUBJECT TO ALL OF THE TERMS AND CONDITIONS HEREOF.

28. Notices.

Any notice to be given hereunder shall be in writing and sent by registered or certified mail postage prepaid or delivered in person or overnight mail via United States Postal Service, United Parcel Service, FedEx, or Airborne Express, with receipt acknowledged, to Purchaser at the address given above and to Sponsor at 7909 10th Avenue, Brooklyn, New York 11228, New York 10013 (with copy to Sylvester J. Sichenze, Esq., 7703 5th Avenue, Brooklyn, New York 11209) or such other address as either party may hereafter designate to the other in writing. Each notice mailed as provided above shall be deemed given on the third business day following the date of mailing and each notice delivered in person or by overnight mail shall be deemed given when delivered.

29. Joint Purchasers.

29.1 If two or more persons are named as Purchaser herein, any one of them is hereby made agent for the others in all matters of any kind or nature relating to this Purchase Agreement and their respective obligations shall be joint and several.

30. Liability of Sponsor.

30.1 Sponsor shall not have any liability to any Purchaser with respect to any of Sponsor's obligations under this Agreement or the Plan after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan, except as specifically set forth in the Plan provided that such limitation shall not apply to any violation of Article 23-A of the General Business Law.

30.2 The Purchaser understands and agrees that it may not under any circumstances file a notice of pendency or "lis pendens" on the Condominium Unit which is the basis of this Purchase Agreement and may not file

a notice of pendency or "lis pendens" on any portion of the subject Condominium. Purchaser's sole remedy against the Sponsor shall be to commence an action in any Court having jurisdiction over the Sponsor.

30.3 Force Majeure. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Purchaser's time to perform its obligations under the purchase agreement also may be tolled during the tolling period (the tolling period is the period when Purchaser may adjourn the closing date which is set forth in the Purchase Agreement one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". This means that the Purchaser must close by the adjourned date), and the sponsor cannot limit any rights which the purchaser may have pursuant to Art. 23A of the GBL, NYCRR regulations, and the offering plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order and that Purchaser may be entitled to. Purchaser's time to perform its obligations may also be tolled.

31. Further Assurances.

31.1 Each party shall, at any time and from time to time, execute, acknowledge and deliver to the other party such instruments and documents, and take such other actions, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. This Paragraph shall survive Closing.

32. Severability.

32.1 If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

33. Strict Compliance.

33.1 Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be Performed by Purchaser.

34. Governing Law.

34.1 The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34.2 The following is the smoking policy of this condominium, which Purchaser agrees to comply with:

"The 368 & 372 92nd Street Condominium Smoking Policy:

Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units.

Smoking and using electronic cigarettes is permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.

This smoking policy applies to all unit owners, tenants and invitees as well as other persons in the condominium.

The definition of "smoking" is contained in the original Smoke Free Air Act (Title 17, Chapter 5 of the NYC Administrative Code) and is as follows: "Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco". The Code was amended to address electronic cigarettes.

The Board of Managers shall provide a copy of the smoking policy to all unit owners and tenants in the condominium building on an annual basis.

Unit owners that wish to sell their unit shall include the smoking policy in any contract of sale. Any Unit owners that wish to lease their unit shall include the smoking policy in any lease.

The Board of Managers may impose penalties against unit owners (including upon unit owners for violations by tenants of unit owners) of $200 for a first violation of the smoking policy, $500 of for a second violation of the smoking policy in a period of twelve months, and $1,000 for a third and subsequent violations of the smoking policy in a period of twelve months. Penalties for a violation may be imposed upon a unit owner of a condominium unit who fails to provide notices to purchasers or tenants/subtenants."

35. Waiver of Jury

35.1 Except as prohibited by law, the parties shall and they hereby do expressly waive trial by jury in any litigation, action, proceeding or counterclaim arising out of, or connected with, or relating to this Agreement or the relationship created hereby or in the Offering Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

36. Entire Agreement

36.1 This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof. Purchaser acknowledges and agrees that the Plan may be amended from time to time as provided for in the Plan and that this Agreement may be amended by Sponsor to conform to the provisions of any such amendment by delivering a notice thereof (which notice may consist of a copy of any such amendment), subject however to any rights which Purchaser may have as provided for in the Plan. This Agreement and the Plan cannot be changed or terminated orally. Any changes or additional provisions must be set forth in writing only.

37. Gender, etc.

37.1 Any singular word or term herein shall also be read as in the plural and the neuter shall include the masculine and feminine gender whenever the context of this Purchase Agreement requires.

38. Captions and Certain References.

38.1 The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any Provision hereof. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires. The terms "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the

context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

39. Amendment of Purchase Agreement.

39.1 Neither this Agreement nor any provision hereof may be waived, amended, altered, modified or discharged except by agreement in writing by the party sought to be charged therewith.

40. Successors and Assigns.

40.1 The provisions of this Agreement shall bind Purchaser, his or her heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

41. Attorneys.

41.1 The parties hereby authorize their respective attorneys to agree in writing to any changes in dates and time periods provided in this Purchase Agreement. The attorneys representing the Sponsor or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

42. Reporting.

42.1 Sponsor and Purchaser shall comply with Internal Revenue Code reporting requirements, if applicable. This Paragraph shall survive Closing.

43. No Third Party Beneficiaries.

43.1 This Purchase Agreement is intended for the exclusive benefit of the parties hereto and, except as otherwise expressly provided herein, shall not be for the benefit of, and shall not create any rights in, or be enforceable by, any other person or entity.

44. New York State Real Property Transfer Gains Tax and New York City Real Property Transfer Tax.

44.1 Purchaser agrees to cooperate fully with Sponsor and to complete, sign and deliver to Sponsor all forms and other documents to facilitate a pre-Closing audit or other procedure required pursuant to Article 31-B of the New York State Tax Law and any other laws, rules and regulations, if required by law. Purchaser agrees to execute any forms required to effectuate the transfer of the subject Condominium Unit and to execute any other form required by the State of New York or Sponsor in connection with said taxes. Failure by Purchaser to comply with this Paragraph shall be deemed a default under this Agreement.

45. Acceptance by Sponsor.

45.1 Within thirty (30) days after delivery by Purchaser to Sponsor or to Sponsor's agent of this Agreement as executed by Purchaser, Sponsor will either (a) accept this Agreement and cause it to be returned to Purchaser a fully executed counterpart thereof, or (b) reject this Agreement and refund the Down Payment tendered by Purchaser. THE SUBMISSION OF THIS AGREEMENT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS AGREEMENT SHALL NOT BE BINDING UPON SPONSOR UNLESS AND UNTIL IT IS EXECUTED AND DELIVERED BY BOTH PURCHASER AND SPONSOR AND, IN SUCH EVENT, SUBJECT TO ALL OF THE TERMS AND CONDITIONS HEREOF.

46. No Recordation.

46.1 This Agreement shall not be recorded by Purchaser without the express written consent of Sponsor. Any purported recordation thereof by Purchaser shall be void and shall constitute a material default by Purchaser hereunder.

47. Foreign Investment in Real Property Tax Act.

47.1 Pursuant to the Foreign Investment in Real Property Tax Act ("FIRPTA"), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest must deduct and withhold a tax equal to fifteen percent (15%) of the purchase price unless the Sponsor furnishes a certificate that it is not a foreign entity or individual. Sponsor will furnish to Purchaser a non-foreign certification at Closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

48. Rules of Construction.

48.1 There shall be no presumption against the draftsman of this Agreement or the Offering Plan.

49. Confidentiality.

49.1 Purchaser hereby acknowledges and agrees to keep all of the terms and conditions of this Agreement confidential. Purchaser agrees that any information which is required to be disclosed to the parties respective lawyers, architect/engineers, accountants, lenders, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser entitling Sponsor to the default remedies set forth in this Agreement.

50. Waiver of Diplomatic or Sovereign Immunity.

50.1 The provisions of this Article shall survive the Closing of title or the termination of this Agreement for the purpose of any suit, action or proceeding arising directly or indirectly, out of or relating to this Agreement.

50.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser hereby designates a duly authorized and lawful agent to receive process for an on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

51. Purchaser to complete Form W-9 or Form W-8BEN.

51.1 The Purchaser shall complete an Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (Exhibit "A-4") or IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding)and return to Sponsor together with the Purchase Agreement.

52. PDF copy or facsimile is deemed as an original.

This Purchase Amendment may be executed in multiple counterparts, all of which, taken together, shall constitute one original document. This Purchase Agreement shall be deemed effective against a party upon receipt by the other party (or its counsel) of a counterpart executed by electronic transmission or via facsimile.

53. Inconsistencies.

In the event of any inconsistency between the provisions of this Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. In the event of any inconsistencies between the provisions of the Plan and the provisions of the Declaration and/or By-Laws, the provisions of the Plan shall govern until the Closing Date, following which, the provisions of the Declaration and By-Laws shall govern.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

PURCHASER(S):

_____

Social Security # _____

PURCHASER(S):

_____

Social Security # _____

SPONSOR:
368 Dev LLC

By: _____

Name:
Title: Authorized Signatory

_____
Sylvester J. Sichenze, Esq.
Escrow Agent

SCHEDULE A – PERMITTED EXCEPTIONS

1. Zoning and other regulations, resolution and ordinances and any amendments thereto now or hereafter adopted provided they are not violated by the existing building and improvements erected on the property or the use thereof.

2. Any state of facts which a survey or personal inspection of the property or the Unit would show, provided such facts would not prevent the use of the Unit for dwelling purposes or render title unmarketable.

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

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

5. Any easement or right of use in favor of any utility company for construction, use or maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the property and any covenant, restriction and agreement of record; provided same are not violated by the present structure and the use of the Unit for dwelling purposes.

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

7. Any Easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of the Building.

8. Encroachments of the structure or structures now on the Premises and of structures in the neighboring premises encroaching on the subject Premises and upon any street or highway, or adjoining premises, if any, including but not limited to areas, shrubs, retaining walls, windows, cellar steps and/or doors, stoops, ornamental projections, trim and cornices, fences, fire escapes, if any, upon streets or highways and/or record property lines; and any variation between record property lines, and fences and/or walls and the record map.

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

10. The lien of any unpaid common charge, real estate tax, water charges, sewer rent or vault charge provided the same are adjusted at the Closing of title and/or are not yet due and payable.

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

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

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

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

15. Any proposed, adopted or actual widening of any street, abutting or adjacent to the property provided same do not affect the existing structure or the use thereof as a residential dwelling.

16. Any violations against the Property (other than the Unit) that are the obligation of the Condominium Board or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company who is a member of New York Board of Title Underwriters.

18. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Survey of the Premises.

20. Declaration of Zoning Lot Restriction, if any, that have been filed with regard to the subject property.

Exhibit "A-1"
Waiver of Notice of Closing

_____, being duly sworn, does hereby depose and state:

1) I am the Purchaser of Unit ____ at 368 & 372 92nd Street, Brooklyn, County of Kings, New York, a Unit at The 368 & 372 92nd Street Condominium.

2) Pursuant to a Purchase Agreement dated _____, 202__, I am entitled to thirty (30) days written notice of the Closing for my Unit.

3) I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on _____ ____, 202__.

_____
Purchaser

_____
Purchaser

_____
Purchaser

Sworn to before me this
_____ ___, 202__

_____
Notary Public

Exhibit "A-2"
Tender of Escrow Deposit

Sylvester J. Sichenze, Esq.,
7703 5th Avenue,
Brooklyn, New York 11209
718-680-0400

Dated: _____

To: [Purchasers Attorney]
_____
_____

RE: Your Client: _____
Our Client: 368 Dev LLC

Premises: Unit _____
The 368 & 372 92nd Street Condominium
368 & 372 92nd Street
Brooklyn, New York

Dear Sir or Madam:

Enclosed herewith please find two (2) fully executed Purchase Agreements for the above captioned premises.

Kindly furnish us with a title report as soon as possible.

The Down Payment in the sum of $_____ has been deposited in TD Bank, 8206 5th Avenue, Brooklyn, New York 11209 in account no. _____.

The funds are being deposited in an interest bearing escrow account and the current interest paid to Purchaser is _____ % per annum. The interest rate may change based on market conditions.

Thank you very much,

Very truly yours,

Sylvester J. Sichenze, Esq.

Exhibit "A-3"
Form for the Release of Escrow Funds

Dated: _____, 202__

Sylvester J. Sichenze, Esq.,
7703 5th Avenue,
Brooklyn, New York 11209

RE: The 368 & 372 92nd Street Condominium
Unit # _____
368 & 372 92nd Street
Brooklyn, New York

Gentlemen:

You have been holding in a trust account my/our Down Payment for the above reference Condominium Unit in the amount of $_____. I/we acknowledge that a Closing has occurred on this date. Accordingly, Sylvester J. Sichenze, Esq., is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Sylvester J. Sichenze, Esq., as escrow agent on said account, is hereby released from any liability or further obligation to me/us with respect to said Down Payment.

Very truly yours,

_____
Purchaser

_____
Purchaser

_____
for Sponsor

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person ▶** **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

Form **W-8BEN**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► **For use by individuals. Entities must use Form W-8BEN-E.**
► **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the United States (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (that is, a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6a Foreign tax identifying number (see instructions)

6b Check if FTIN not legally required ☐

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income or proceeds to which this form relates or am using this form to document myself for chapter 4 purposes;
- The person named on line 1 of this form is not a U.S. person;
- This form relates to:
  - (a) income not effectively connected with the conduct of a trade or business in the United States;
  - (b) income effectively connected with the conduct of a trade or business in the United States but is not subject to tax under an applicable income tax treaty;
  - (c) the partner's share of a partnership's effectively connected taxable income; or
  - (d) the partner's amount realized from the transfer of a partnership interest subject to withholding under section 1446(f);
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country; and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ☐ I certify that I have the capacity to sign for the person identified on line 1 of this form.

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer

Exhibit "A-5"

INSPECTION STATEMENT / PUNCHLIST

Dated: _____

TO: 368 Dev LLC
7909 10th Avenue,
Brooklyn, New York 11228

RE: The 368 & 372 92nd Street Condominium

I/We am/are the Purchaser(s) of Unit ____ located at The 368 & 372 92nd Street Condominium ("my/our Unit").

I/We have inspected my/our Unit and have found the Unit to be in good condition except as otherwise noted below:

_____
Sponsor's Representative

_____
Purchaser

_____
Purchaser

UNIT POWER OF ATTORNEY

GG. UNIT POWER OF ATTORNEY

Unit Power of Attorney

All Terms used in this Unit Power of Attorney which are used in the (a) the Declaration (the "Declaration") establishing a Plan for Condominium ownership of the premises known as The 368 & 372 92nd Street Condominium and by the street number 368 & 372 92nd Street, Brooklyn, New York under Article 9-B of the Real Property Law of the State of New York, dated and recorded in the office of the Register of the City of New York on _____, 202__ under CFRN # _____ or (b) in the By-Laws of The 368 & 372 92nd Street Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in the Power of Attorney as in the Declaration or the By-Laws.

The undersigned having a residence at 368 & 372 92nd Street, Brooklyn, New York, the owner(s) of the Unit (the "Unit") known as Unit No._____ at address 368 & 372 92nd Street, Brooklyn, New York in The 368 & 372 92nd Street Condominium and also designated as Tax lot _____ in Block 6103 of the Borough of Kings on the Tax Map of the City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of The 368 & 372 92nd Street Condominium, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect:

(1)(a) Following due authorization by the Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests

(1)(b) Whose Owner elects to surrender the same pursuant to Article “VII”, Section “1” of the By-Laws,

(1)(c) To acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote, the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present;

(2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate; and

(3) to execute, acknowledge and deliver (a) any Declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or Declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate.

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

The undersigned do(es) hereby irrevocably nominate, constitute and appoint 368 Dev LLC (“Sponsor”) as attorney-in-fact from the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its Designee in accordance with the Declaration or (2) shall be required by (a) an institutional lender procured by Sponsor to make a mortgage

loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 202__.

_____

_____

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year 202__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the 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

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year 202__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the 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

Unit Power of Attorney

The 368 & 372 92nd Street Condominium
368 & 372 92nd Street,
Brooklyn, New York

Title No. _____

Section _____

Block 6103

Lots 27 & 28

Record and Return To:

Sylvester J. Sichenze, Esq.,
7703 5th Avenue,
Brooklyn, New York 11209

UNIT DEED

HH. FORM OF UNIT DEED

Unit Deed

THIS INDENTURE, made this____ day of _____, 20____ between 368 Dev LLC, a New York limited liability company, having an office at 7909 10th Avenue, Brooklyn, New York 11228 (the "Grantor"), and _____(the "Grantee(s)"), having an address at _____.

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit known as **Unit No. _____** (hereinafter called "the Unit") in the building known as The 368 & 372 92nd Street Condominium, and by the street number 368 & 372 92nd Street, Borough of Brooklyn, County of Kings, City and State of New York designated and described by the above Unit No. in a certain Declaration dated _____, 202__, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a Plan for Condominium ownership of the Building and the land ("Land") upon which the Building situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which Declaration was recorded in the Office of the Register of The City of New York ("Register's Office") on _____, 202__ under CRFN # _____ ("Declaration"). The Unit is also designated as Tax lot _____ in Block 6103 of the Borough of Brooklyn, County of Kings, on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building certified by Paul Lombardi, R.A. as Condominium Plan No. _____ and also filed in the Register's Office.

TOGETHER with an undivided _____ % interest in the Common Elements of the Property (hereinafter called the ("Common Elements"), as defined in the Declaration.

The property is described as follows:

SEE SCHEDULE "A"

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

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having any title, interest or estate in the Unit as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or to the Building (which Land and Building are collectively referred to as the "Property")

All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of The 368 & 372 92nd Street Condominium (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws");

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

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

and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Board of Managers as provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatsoever, except as aforesaid.

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

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all terms and provisions thereof.

The term "Grantee” shall be read as "Grantees" whenever the sense of this indenture so requires.

This conveyance is made in the regular course of business actually conducted by the Grantor.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

368 Dev LLC
a New York limited liability company

By:_____
TITLE: Member
(Grantor)

_____ _____
(Grantee) (Date)

_____ _____
(Grantee) (Date)

Uniform Acknowledgment

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year 202__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the 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

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year 202__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the 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
Condominium Unit Description

All that certain plot, piece or parcel of real property, situate and being a part of a Condominium in Kings County, State of New York, known and designated as Unit No. _____, together with an undivided _____% interest in the Common Elements defined in the Declaration of Condominium entitled The 368 & 372 92nd Street Condominium, establishing a plan for Condominium ownership of the land and buildings thereon erected, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York dated _____ and recorded in the Office of the Register of the City of New York on _____, 202___ as CRFN No. _____. The Unit is also described and designated as Block 6103, Lot ____ of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plans of the building filed with and approved by the Real Property Assessment Department of the City of New York / Tax Map Unit on _____, 202___ as Condominium Plan No. _____, and filed in the City Register's Office on _____ as CRFN No. _____;

TOGETHER with an undivided _____ percent interest in the Common Elements (as such term is defined in the Declaration) appurtenant to the Unit.

The Land on which the Building is located is described as follows:

All that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of 92nd Street where the same is intersected by the westerly line of Lot No. 349 as shown on said Map, and distant 131 feet 2-1/4 inches westerly from the corner formed by the intersection the southerly side of 92nd Street and the westerly side of 4th Avenue;

RUNNING THENCE southerly along the westerly line of said lot No. 349, on said Map and parallel with Hamilton Avenue, as laid down on said Map, 109 feet 10-1/4 inches to the northerly line of lot No. 366 on said Map;

THENCE, westerly along the northerly line of said lot No. 366 on said Map, and parallel with or nearly so with 92nd Street, 50 feet 2 inches to the easterly line of lot No. 347 on said Map;

THENCE, northerly along the easterly side of a lot No. 347 on said Map and parallel with said Hamilton Avenue, 109 feet 10-1/4 inches to the southerly side of 92nd Street; and

THENCE, easterly along the southerly side of 92nd Street, 50 feet 2 inches to the point or place of BEGINNING;

Condominium Deed

The 368 & 372 92nd Street Condominium
368 & 372 92nd Street
Brooklyn, New York

Title No. _____

Section _____

Block 6103

Lots 27 & 28

Record and Return To:

_____
Attorney for Purchaser
_____

_____

_____

“ARCHITECT’S REPORT” OF
DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION

II. DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION

The 368 & 372 92nd Street Condominium

Report by
Paul Lombardi, R.A.,
527 Court Street, Suites C3,
Brooklyn, New York 11231

ARCHITECT'S REPORT

THE 368 & 372 92ND STREET CONDOMINIUM

Prepared By:

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

September 22, 2025

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The buildings will be located at 368 & 372 92nd Street in the Bay Ridge Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11209.

(2) Block and lot number:

The site will be located on Tax Lot numbers 27 & 28 in Tax Block number 6103.

(3) Zoning:

The site is located in an R4-1 (BR) Zone as designated on Map number 22b of the 1961 Zoning Resolution. The building is not a Quality Housing project.

(4) Permissible Use:

The Zone permits Residential use as of right. The property and proposed use will compy with all zoning and use requirements at closing. Accessibility requirements under the Americans with Disabilities Act Accessibility Guidelines (ADAAG), as well as Local Law 58/87, are not applicable to this project. The buildings in question are two (2) two-story, two-family dwellings, which are classified as a small residential buildings. Under federal, state, and local codes, such buildings are exempt from accessibility requirements for disabled access, including the provision of ADA-compliant units and features. Therefore, no units or floors are required to comply with ADA or Local Law 58/87 standards in this case.

(b) STATUS OF CONSTRUCTION

(1) Year built:

The buildings are proposed new buildings and are currently under construction. The start date for the building was 10/23/2024. The estimated date of completion is August 2025.

(2) Class of construction:

The Class of Construction will be III A as described by Table 601 of the 2022 New York City Building Code. The structural support members will consist of non combustible materials with non-combustible bearing walls and shall have a minimum fire protection rating of one hour. Structural floor / ceiling and roof / ceiling assemblies shall be of combustible materials with fire protection with a minimum rating of one hour.

(3) Certificate of Occupancy, type and number:

The buildings are currently under construction and a Certificate of Occupancy for the new buildings will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings. The Sponsor shall obtain a permanent Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan. A copy of the Department of Buildings PW1A: Schedule A – Occupancy/Use form shall be provided.

(4) Permit numbers and description of work done:

The buildings are being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application numbers B01051318 and B01064827 for buildings numbers 368 and 372 respectively. Permit numbers B01051318-I1-GC and B01064827-I1-GC for buildings numbers 368 and 372 respectively have been issued by the N.Y. City Department of Buildings for the construction of the new buildings.

(c) SITE

(1) Size:

The site is located on the Southerly side of 92nd Street distance 131'- 2 ¼"' Westerly from the corner formed by the Westerly side of 4th Avenue and the Southerly side 92nd Street. The site has a frontage of 50'-2" along 92nd Street and extends to a depth of 109'-1 ¼" perpendicular to the 92nd Street property line. The site has an area of approximately 5,511 square feet.

(2) Number of buildings and use:

There will be two (2) buildings constructed with a vertical fire division, and two (2) residential units and accessory uses for each building.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. 92nd Street is an existing sixty feet (60'-0") wide one-way street. There is an existing concrete sidewalk fronting the property. The existing concrete sidewalk will be replaced with a new concrete sidewalk and curb, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. The sidewalks providing access to the building(s) shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant. The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ).

(ii) Curbing (material and condition);

There is an existing concrete curb fronting the property. The existing concrete curb fronting the property will be replaced with a new concrete curb, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant.

(iii) Catch Basins (location and condition);

The roadway is asphalt paved. The roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. The existing catch basins are in good condition and are constructed of concrete with steel grating covers and are located along 92nd Street. The existing catch basins have been installed by the N.Y. City Department of Transportation.

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

The existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along 92nd Street. The existing street lighting is in good condition.

(v) Conformity with municipal codes;

The sidewalk paving, curb, catch basins and street lighting will be designed to conform to the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and Building Code and will be subject to approval and inspection by these agencies. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be a new poured, reinforced, concrete driveway at the easternmost side of the property at grade level which will provide access to the parking areas located in the rear yard area of the buildings.

(ii) Curbing (material and condition);

There will be no curbs on the property.

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

There will be no catch basins on the property. There will be cast iron area drains at the ground level which will be connected to the building's storm drainage system.

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

There will be no street lighting on the property.

(v) Conformity with municipal codes;

All paving and drainage devices will be designed to conform to the standards of the N.Y. City Department of Buildings and the N.Y. City Building Code and will be subject to approval and inspection by the N.Y. City Department of Buildings. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant.

(d) UTILITIES

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

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

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

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

Sanitary waste and some of the **Storm** water run-off will be carried from the building into the existing New York City Sewer System. The rest of the storm water runoff will be dissipated by means of drywells.

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

(e) SUB-SOIL CONDITIONS

The soil at the bottom of the footings is Type 3b soil, as per a subsurface Test Boring which was performed by Professional Solutions Group Inc., P.O. Box 3015, Astoria, N.Y. 11103. The soil has an allowable bearing capacity of approximately three to six tons per square foot as per N.Y. City Building Code. There was no ground water encountered up to approximately thirty two feet below the normal grade level of the site. There are no land subsidence, expansive soils, hazardous materials and or Environmental Restriction designations present on the property.

The site is in FEMA Flood Zone X (no screen) which indicates the site is in an “Area of Minimal Flood Hazard” as per FIRM panel # 3604970332F. There is no apparent evidence of the site having flooded in the past 10 years. If so, it shall be noted as a Special Risk to disclose this.

Foundation system has been accurately sized to support the calculated load while under construction. Moister protection system while under construction consists of Precon; a pre-applied under slab/blindside waterproofing membrane as manufactured by W.R. MEADOWS.

(1) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(2) There is no apparent evidence of moisture, seepage or ground water infiltration.

(3) There is no apparent danger from flooding due to a water table overflow from other bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties. The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will also be a 2” x 4’-0” semi-rigid continuous perimeter insulation. There will be gravel and compacted earth fill adjacent to the foundation walls.

(f) **LANDSCAPING AND ENCLOSURES**

(1) There will be grass cover in the front yard areas of the site. The rear and side yard areas shall be a concrete slab on grade finish. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance.

(2) There will be planting areas at the front yard of the building. Required street trees shall be planted within the planting areas. In addition to such street trees, the planting areas shall be fully planted with grass. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance.

(3) There will be two (2) trees with a minimum caliper of three inches planted at the sidewalk area fronting the property as required by the N.Y City Zoning Resolution. The trees shall be of a species to be determined by the N.Y. City Department of Parks. In the event the procurement of the final permanent Certificate of Occupancy falls outside of NYC Parks Department's two approved planting seasons, the Sponsor reserves the right to pay the NYC Parks Department Tree Fund in lieu of each new tree required.

(4) There will be a new 6’-0” high, galvanized steel chain link fence with a silver finish at the perimeter of the property lines and at the rear yard area of the site.

(5) There will be no gates at the exterior of the site.

(6) There will be no garden walls at open yard areas.

(7) There will be no retaining walls at open yard areas.

(8) There will be no display pools and fountains on the site.

(g) BUILDING SIZE

(1) The buildings will be a total height of approximately 35’-0”, measured from the adjacent grade to the roof above the attic floor levels.

(2) There will be no crawl spaces within the buildings.

(3) There will be one cellar level below the first floor level of each building with a floor to ceiling height of approximately 8’-0”. The first floor level will have a floor to ceiling height of approximately 9’-0”. The second floor level will have a floor to ceiling height of approximately 8’-6”.

The attic floor level for Building #372 measures approximately 623.00 square feet, with a sloping floor-to-ceiling height ranging from approximately 6’-0” at its lowest point to approximately 10’-0” at its highest point. The attic floor level for Building #368 measures approximately 415.00 square feet, with a sloping floor-to-ceiling height ranging from approximately 8’-3” at its lowest point to approximately 10’-0” at its highest point.

Both attic floors will be fully sprinklered and are designed to be habitable space, intended for dwelling purposes in accordance with applicable building code requirements.

(4) The building will consist of a cellar, two (2) stories and an attic.

The approximate gross square footages of each floor are as follows:

Cellar Floor	approximately	= 2,251.00 sq. ft.
First Floor	approximately	= 2,251.00 sq. ft.
Second Floor	approximately	= 2,251.00 sq. ft.
Attic Floor	approximately	= 1,038.00 sq. ft.

(5) There will be electrical meter rooms and mechanical / sprinkler rooms located in the cellar floor level towards the front of each building. The electric hot water heaters shall be located within the mechanical rooms at the cellar floor level. HVAC equipment shall be mounted on the exterior wall at the easterly most side yard as well as on the rear façade of the building.

(6) There will be no parapets. There shall be a vertical masonry fire division with a aluminum coping cap which will extend approximately 4” above the highest point of the hipped roof areas between the building segments.

(h) **STRUCTURAL SYSTEM**

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

Separate SOE applications have been filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed Professional Engineer. The SOE drawings have been assigned Department of Buildings application numbers B01056098 & B01056064 for buildings numbers 368 and 372 respectively. Permit numbers B01056098-I1-SE & B01056064-I1-SE have been issued for buildings numbers 368 and 372 respectively by the N.Y. City Department of Buildings for the construction of the new building. There will be no sheeting, shoring or underpinning.

The foundations will consist of poured, reinforced concrete footings for support of the foundation walls at the cellar floor levels. The foundation walls shall also be of poured, reinforced concrete. The perimeter footings and foundation walls shall have 2” semi-rigid insulation with R value of 15 and shall be protected with mastic waterproofing at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls.

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

The interior floor assembly at the upper floors; will be a wood flooring and sub-flooring, supported by cold formed metal joist framing placed 16” on center; which in turn will be supported by the masonry bearing party wall and the load bearing metal stud walls at the ends.

The sound insulation between the floors shall be of resilient furring channels, running perpendicular to the floor joists, with a layer of gypsum wall board over.

All construction shall comply with reference standard RS 10 of the N.Y. City Building Code. The walls between the units have a STC rating of 50 or greater as required by the N.Y. City Building Code. The floor / ceiling assembly will also have a STC rating of 50 or greater in compliance with the N.Y. City Building Code.

There will be vertical, load-bearing, masonry fire division, with an aluminum coping cap, which will extend approximately two feet above the lowest point of the finished roof area of the building segments.

There will be hipped, roof areas above the attic floor level of each building segment. The hipped roof areas shall be a Class “A” roof, finished with 15# self-tabbing asphalt strip shingles with 30# building paper on 3/4" CDX plywood, supported by cold formed metal joist and rafters and structural stud posts.

There will also be flat roof areas above a portion of the second floor level at the rear of each building segment. The roof areas will consist of a rubberoid roofing finish as manufactured by Firestone on rigid insulation and exterior grade gypsum boards supported by new metal joists which in turn will be supported by the bearing walls at the ends. The finished surfaces of the roof terraces shall consist of 1.5” thick concrete 24”x24” gray Basket weave York stone Pavers as manufactured by Nantucket Pavers.

The construction class of the building shall be non combustible Construction Type III A as per Table 601 of the 2014 N.Y. City Building Code.

(1) Exterior of buildings:

(i) Walls:

The exterior walls shall be mainly of a load-bearing, metal stud framing, with a minimum ¾" thick three step stucco exterior finish. The interior finish shall be of gypsum wallboards on steel furring channels at the inside surfaces of the load-bearing, metal stud walls. The spaces between the metal furring channels shall be sprayed with 3" closed cell polyurethane spray foam insulation with a minimum R value of 19.5.

The exterior wall composition shall have a 2- hour fire resistance rating and a minimum, sound transmission coefficient, STC rating of 56. The walls between the units have an STC rating of 50 or greater as required by the N.Y. City Building Code. The floor / ceiling assembly will also have a STC rating of 50 or greater in compliance with the N.Y. City Building Code.

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

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

(ii) Windows:

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

The manufacturer guarantees one year, parts and hardware, and five years glazing. Window sills shall be constructed of masonry. Lintels above window openings shall be of steel fabrication. The interior finish of the lintels shall be of gypsum wallboards on steel furring channels at the inside surfaces. There will be no window guards or screens provided. All exterior metals, including fasteners and hardware, shall be corrosion resistant. There will be no lot line windows. There will be no window wells.

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

(iii) Landmark status:

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

(2) Parapets and copings:

Parapets shall be constructed of load bearing metal stud walls with horizontal, steel wire, truss reinforcement with a minimum ¾" thick three step stucco exterior finish at the exterior surfaces. The parapet walls shall be capped with an aluminum metal coping which shall be anchored to the load bearing walls with non-corrosive steel dowels. All exterior metals, including fasteners, shall be corrosion resistant.

There shall be vertical masonry fire division with an aluminum coping cap which will extend approximately two feet above the lowest point of the hipped roof areas of the building segments.

Fire division shall be constructed of load bearing masonry walls with horizontal, steel wire, truss reinforcement with a minimum ¾" thick three step stucco exterior finish. The fire division wall shall be capped with an aluminum metal coping which shall be anchored to the load bearing walls with non-corrosive steel dowels. All exterior metals, including fasteners, shall be corrosion resistant.

(3) Chimney and caps:

There will be a horizontal 4" CPVC pipe, for the direct ventilation of the mechanical room, located at the front of the cellar floor level. The CPVC flues will terminate at the exterior wall of the building. The flue is classified as "medium" temperature and come equipped with aluminum spring loaded back draft dampers. Clean-outs and caps with galvanized mesh bird, weather, and debris protection will also be provided. The flues shall be as manufactured by Amerivent and shall have a B.S.A. approval number (294-56 SM).

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

(4) Balconies and terraces:

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

The open-roof terrace areas located at the roof above the rear portion of the second floor levels of each building will be a limited common element for Units 2A and 2B. Roof terraces shall be separated by privacy fences

NYC DOB Schedule “A” shall indicate rooftop terrace allocation as an accessory use to Units 2A & 2B as well as maximum number of persons permitted in the final Certificate of Occupancy issued at the completion of the project as per NYC DOB Buildings Bulletin 2018-002.

(i) Deck finish:

The finished surfaces of the roof terraces, located at the roof above the rear portion of the second floor levels of each building, shall consist of 1.5” thick concrete 24”x24” gray Basket weave York stone Pavers as manufactured by Nantucket Pavers. The roof finish for the Unit 2A & 2B terraces are appropriate for daily foot traffic and use as a terrace. The installation of roof pavers does not void the manufactures roof warrantee.

(ii) Balustrade:

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

(iii) Railings:

There will be no railings.

(iv) Copings:

The coping at the parapet walls shall be capped with an aluminum metal coping which shall be anchored to the load bearing walls with non-corrosive steel dowels.

(v) Soffits:

There will be no soffits.

(vi) Doors to balconies and terraces (type, material):

Terrace doors shall be double glazed sliding glass patio doors set in wood framing, with a rigid vinyl clad exterior finish, as manufactured by Marvin. The distance between the finished rood terrace level and the bottom of the patio doors shall be approximately two (2) inches. Terrace doors shall be equipped with an entry type lockset. All windows and doors shall be insulated glass as per minimum requirement of the New York State Energy Code. Exterior doors come equipped with and will utilize a thermal break system which will further reduce temperature transfer.

(5) Exterior Entrances:

(i) Exterior doors and frames:

There will be a total of three (3) exterior entrance doors per building for a total of six (6) exterior entrance doors; one (1) at the cellar floor level, and two (2) at the first floor level of each building.

The entrance doors at the cellar floor level shall provide access directly to Units 1A & 1B and the common mechanical room areas located at that level.

One of the doors at the first floor level shall provide access to the units located at that level. The other entrance at the first floor level shall provide access to stairs leading to the unit located at the second floor and attic floor levels of each building.

The exterior doors shall be of solid core decorative wood. Exterior doors come equipped with and will utilize a thermal break system which will further reduce temperature transfer. The entrance doors shall be equipped with an entry type lockset manufactured by Kwikset model # 883351072861 which shall be fitted with an electronic release connected to the intercom system.

Exterior entrances shall be built free of tripping hazards. Exterior entrances shall be ADA compliant with a min width of 3'-0" and to have a perpendicular clear width of 33".

(ii) Vestibule doors and frames:

There will be no entrance vestibule doors.

Unit entrances of each building will be of hardwood. Frames will be of steel. Each unit door will have a unit number, an interview peephole and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a satin nickel finish.

Doors within units shall be of hollow core wood or of another material and do not have to be fire rated. Interior doors will be set in wood or steel frame and shall be equipped with a passage type lockset. Interior doors of each building shall be primed and ready to paint, textured wood grain surface.

(iii) Exterior stairs:

There will be two stairs at the exterior of each building.

One of the stairs at the front will provide access from grade to the cellar floor level. The other stair will provide access to a common open porch, from which the units located at the first, second and attic floor levels may be accessed.

The exterior stairs shall be of poured, reinforced concrete construction with a non skid concrete finish. There shall be wrought iron handrails provided on both sides of exterior stairs. The perimeter of the stairwells and the perimeter of landings of the exterior stairs shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the adjacent grade level. The maximum spacing between the horizontal mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. There are no climb-ability restrictions required by N.Y. City Building Code

The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the railing is black powder coated. All exterior metals used including fasteners shall be corrosion resistant stainless steel.

The stairwell at the cellar floor level shall be equipped with an area drain connected to the building’s storm drainage system at the lowest point.

(iv) Railings:

The perimeter of the stair landings shall be protected at the perimeter with wrought iron guard rails with a minimum height of three feet, six inches (3’-6”) above the finished floor level. The maximum spacing between horizontal mullions of the railings shall be approximately four inches (4”) as required by the N.Y. City Building Code.

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

(v) Mail boxes:

U.S. approved type mailboxes will be provided at a central location at the front of each building at the first floor and basement level of each building. Mailboxes shall be a freestanding cluster box unit of aluminum construction on a cast aluminum pedestal mailbox system.

(vi) Lighting:

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

The fixtures at the rear and side yard areas shall be capable of providing an aggregate illumination of sixty (60) watts incandescent illumination or its equivalent. Lights shall be manufactured by Portfolio 3-Light Post Top Lantern (model # FY09-007). Lamping is E12 60W B type bulb.

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

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

(6) Service entrances:

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

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and roof structures:

(i) Types:

There will be two hipped, roof areas above the attic floor level of each building segment, separated by vertical masonry fire division wall. The hipped roof areas shall be a Class “A” roof, finished with 15# self-tabbing asphalt strip shingles with 30# building paper on 3/4" CDX plywood, supported by cold formed metal joist and rafters and structural stud posts.

There will also be flat roof areas above a portion of the second floor level at the rear of each building segment. The roof areas will consist of a rubberoid roofing finish as manufactured by Firestone on rigid insulation and exterior grade gypsum boards supported by new metal joists which in turn will be supported by the bearing walls at the ends. The finished surfaces of the roof terraces shall consist of 1.5” thick concrete 24”x24” gray Basket weave York stone Pavers as manufactured by Nantucket Pavers.

Building is in compliance with NYC Building Bulletin 2019-010 for exemptions to sustainable roofing zone. As per section “C” of the NYC Building Bulletin 2019-010 the areas exempt from sustainable roofing zones are pitched roofs (roof slopes greater than 17 percent) that would accommodate less than 4kW of solar photovoltaic electricity generating capacity. The pitched roof areas above the attic floor level shall have a slope of approximately 26 percent. The roof is exempt. DOB approved Local Law 92/94 of 2019 Sustainable Roof Zone has been submitted.

(a) Material:

The hipped roof areas above the attic floor level shall be of 15# self-tabbing asphalt strip shingles, as manufactured by Manville (MEA# 97-72-M) on 3/4" CDX plywood with 30# building paper, supported by metal joist rafters and a main, wood ridge beam, running the length of each building. The flat roof areas above a portion of the second floor level at the rear of each building segment will consist of a rubberoid roofing finish as manufactured by Firestone on rigid insulation and exterior grade gypsum boards supported by new metal joists which in turn will be supported by the bearing walls at the ends. The finished surfaces of the roof terraces shall consist of 1.5” thick concrete 24”x24” gray Basket weave York stone Pavers as manufactured by Nantucket Pavers.

(b) Insulation:

Batt insulation, with a minimum R value of 49, shall be provided at the underside of the roof in the space between the metal joists. Rigid insulation at the roof shall be a min of 4” and have an R value of 20.

(c) Surface finish:

The finished surfaces of the roof terraces, located at the roof above the second floor levels of each building shall consist of 1.5” thick concrete 24”x24” gray Basket weave York stone Pavers as manufactured by Nantucket Pavers. The hipped roofs shall be finished with asphalt shingles.

The Sponsor reserves the right to provide a roof finish by a different manufacturer which is equal to or better than noted above.

(d) Bond or guarantee:

The expected life span of the roof type is ten (10) years. No bond or guarantee other than the five (5) year warranty on all construction materials and workmanship will be furnished. Warranty is issued by the roofing membrane manufacturer. All repair or replacement costs covered under the guarantee shall be borne by the roofing membrane manufacturer. The guarantee shall be a term type, without deductibles or limitations on coverage amount, and be issued at no additional cost to the Owner. The Commencement date of warranty shall begin at the procurement of the Certificate of Occupancy issued when the work is completed to the satisfaction of the New York City, Department of Buildings

A suitable finished walking surface shall be provided at the roof terraces above the second floor. The installation of roof pavers does not void the manufacture’s roof warrantee.

It shall be noted as a Special Risk that any warranty will be voided if a suitable walking surface is not provided.

(e) Flashing materials including counter flashing:

The perimeter of the roof areas at the masonry party wall shall be fitted with aluminum flashing and counter flashing.

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

(ii) Drains:

(ii)(a) There will be one (1) cast iron, roof drain connected to vertical, cast iron leaders located at the flat roof areas above the second floor level of each building for a total of two (2) drains. All drains will function as primary drains and it shall be noted as a Special Risk that no secondary emergency overflow drains have been provided. The roof drains and leaders will be connected to the building's storm drainage system. The main roof areas above the attic floor will be pitched at a minimum slope of approximately 4:12. Roof areas shall be pitched to aluminum drains and leaders.

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

(ii)(b) Gutters and external leaders shall be of extruded aluminum and will transport run off from the roof areas partially to the existing storm sewer and partially to drywells located to the rear of the building.

(iii) Skylights:

There will be no skylights.

(iv) Bulkheads:

(iv) (a)Stair material;

There will be no stair bulkheads.

(iv) (b) Elevator material;

The will be no elevator bulkheads.

(iv) (c) Other;

There will be no other bulkheads.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior stairs at the roof area.

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

There will be no vertical ladders including gooseneck ladders at the roof area.

(v) (c) Railings;

There will be no railings at the roof area.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

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

(vi) Rooftop Facilities:

There will be no common rooftop facilities. The open roof areas at the roof above the second floor levels will be a limited common element for the units located at the second and attic floor levels of each building.

(8) Fire escapes:

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

(i) Location;

(ii) Floors covered;

(iii) Drop ladder;

(iv) Type;

(v) Materials;

(9) Yard and courts:

The building will have four yard areas; one to the front, one at each side and one to the rear.

The front yard area will have a depth of approximately 15’-0” measured perpendicular to the front façade of the building. The rear yard area for building number 368 will have a depth of approximately 37’-2” measured perpendicular to the rear façade of the building and the side yard area will have a width of approximately 4’-0” measured perpendicular to the west side façade of building number 368. The rear yard area for building number 372 will have a depth of approximately 34’-6” measured perpendicular to the rear façade of the building and the side yard area will have a width of approximately 8’-0” measured perpendicular to the east side façade of building number 372. The rear yard areas are accessible via the side yards of the property. All rear yard areas are designated as common elements and are intended for shared use by all building occupants. They are not limited common elements and are not assigned to any individual unit.

(i) Paving:

The front yard areas will be of poured concrete and parts shall be of compacted earth and grass covered. The rear yard area shall be of poured concrete. Areaways shall be protected by a steel grating and shall be able to support a minimum load of approximately one hundred and sixty pounds per square foot.

(ii) Drainage:

The yard areas shall be provided with cast iron drains connected to the storm drainage system. The rear yard area will be equipped with a cast iron area drain which will be connected to concrete drywells which will be part of the building's storm drainage system.

(iii) Railing:

There will be wrought iron railings around the perimeter of the stair landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the railing is black powder coated. All exterior metals used including fasteners shall be corrosion resistant stainless steel.

(iv) Stairs:

There will be concrete stairs providing access to the cellar floor level and the first floor levels from grade in the front yard areas. Exterior stairs and surfaces shall be finished with a non skid concrete finish

(v) Fencing:

There will be no fencing at the exterior of the site.

(vi) Walls:

There will be no walls constructed at the yard areas of the property.

(10) Interior stairs:

(i) Number and type:

There shall be no common interior stair within each building. There will be an interior stair within the units located at the first and cellar floor levels and an interior stair within the units located at part of the first and second and attic floor levels of each building.

(ii) Enclosure:

The interior stairs leading from the first floor level to the second floor level of each building shall be constructed of steel studs with two layers of one hour rated gypsum wallboards on each side for a total 2-hour fire rated assembly. The interior stairs within the units at the cellar and first floor levels of each building shall be open stairs which will be finished with gypsum wallboards at the wall areas adjacent to the stairs.

(iii) Stair construction:

The stairs within the units located at the cellar and first floor levels of each building shall be of wood construction.

The stairs within the units at part of the first, second and attic floor levels of each building shall be of steel pan construction.

(iv) Stringers:

The stringers at the stairs within the units at the cellar and first floor levels of each building shall be wood stringers.

The stringers at the stairs within the units at part of the first second and attic floor levels of each building shall be of steel.

(v) Treads:

The treads at the stairs within the units at part of the first, second and attic floor levels of each building shall be of poured concrete and finished with tile, or stone.

(vi) Risers:

The risers at the stairs within the units at the cellar and first floor levels of each building shall be of wood construction.

The risers at the stairs within the units at part of the first, second and attic floor floor levels of each building shall be of steel pan construction.

(vii) Guard rails:

The perimeter of stair landings at the stairs within the units at the cellar and first floor levels of each building shall be protected with wood guardrails, with a minimum height of three feet and six inches (3’-6”) above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4”) as required by the N.Y. City Building Code.

The perimeter of stair landings at the stairs within the units at part of the first, second and attic floor level of each building shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3’-6”) above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4”) as required by the N.Y. City Building Code.

The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the railing is black powder coated. All metals used including fasteners shall be corrosion resistant stainless steel.

(viii) Balustrade:

There will be no balustrades at the perimeter of stair landings.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:

Unit entrances of each building will be of hardwood. Frames will be of steel. Each unit door will have a unit number, an interview peephole and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a satin nickel finish.

Doors within units shall be of hollow core wood or of another material and do not have to be fire rated. Interior doors will be set in wood or steel frame and shall be equipped with a passage type lockset. Interior doors of each building shall be primed and ready to paint, textured wood grain surface.

(ii) Corridor doors and frames:

There will be no corridor doors and frames.

(iii) Stair hall doors and frames:

There will be no stair hall entrance doors and frames.

(iv) Roof Doors, Cellar Doors and frames:

Doors at the cellar floor level providing access to meter rooms, sprinkler rooms and mechanical rooms shall be one and one half hour rated, fireproof self closing steel doors mounted on steel frames.

(12) Elevators:

There will be no elevators in the building. The following sub sections will not be applicable to this Report:

(i) Number;

(ii) Manufacturer & capacity;

(iii) Type of Operation;

(iv) Automatic (Type of controls);

(v) Floors served;

(vi) Type (hydraulic, gearless)

(vii) Doors (sliding, swinging, manual, automatic);

(viii) Location of machine rooms;

(ix) DC motor (manufacturer);

(x) AC motor generator set (manufacturer);

(xi) Other;

(13) Elevator cabs:

There will be no elevator cabs in the building. The following sub sections will not be applicable to this Report:

(i) Kind (manufacturer);

(ii) Floor (Material);

(iii) Walls (Material);

(iv) Ceiling (Material);

(v) Lighting;

(vi) Alarm, Safety system;

(i) AUXILIARY FACILITIES

(1) Laundry rooms:

(i) Location and number of rooms;

There will be one laundry closet provided within each residential unit of each building with hookups for a domestic, stackable electric washer and electric dryer. The actual laundry equipment will be the responsibility of each unit's occupant. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary. There will be no other auxiliary facilities, such as storage rooms, package rooms, or bicycle rooms.

(ii) Clothes washers;

There will be no clothes washer provided by the Sponsor.

(iii) Clothes dryers;

There will be no dryers provided by the Sponsor.

(iv) Room ventilation;

There will be no mechanical exhaust ventilation provided for the laundry closets.

(v) Dryer ventilation;

There will be a vertical, metal exhaust vent duct provided in each laundry closet for the dryers. Each exhaust vent will terminate at the roof above the attic floor of each building.

(2) Refuse disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no garbage compactors in the building

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required. Garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Refuse disposal will be the responsibility of each individual unit's occupant. There will be garbage cans for temporary storage provided with a total of 33 square feet in the rear yard area of the buildings as required by NYC BC 1212.1. Each unit's occupants will collect their own garbage and carry it to the garbage cans to be stored. The garbage will then be placed at curbside on the day or night prior to collection. The New York City Sanitation Department will then collect the garbage on days designated for garbage removal.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Mondays and Thursdays as per the N.Y. City Department of Sanitation website.

(j) PLUMBING AND DRAINAGE

(1) Water supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a 4” ductile iron water main conveying the water into the building as per DEP standards. The main shut off valve shall be located in the sprinkler room at the cellar floor level of each building. Each residential unit is to be supplied with cold water from a minimum ½" copper piping. Each residential unit will have its own hot water boiler, located in a mechanical closet within each unit. Hot & Cold water piping shall be insulated with minimum R2 insulation value throughout as per NYECCC 403.4 with a 3/4” thickness.

Backflow preventer, (Reduced Pressure Zone “RPZ”) may be required and will be located at the cellar floor towards the front of each building, for back flow prevention of the City water system as required by

The building relies on the normal New York City water pressure for raising the water to the attic floor level so that no water tanks are required.

(2) Fire Protection System:

There will be a sprinkler system installed throughout the building.

A separate sprinkler application shall be filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Architect and the required permit secured prior to the installation of the sprinkler system.

(iii) Sprinkler heads (type, location);

Sprinkler heads will be installed throughout the building and will consist of new concealed quick response pendent sprinkler heads, as manufactured by Victaulic model# V3806, with a ½” thread & orifice, 5.6 K-Factor, 135 Degree F., 1” adjustable, with UL Certification # EX5170.

(iv) Siamese connection (type, location);

There will be a 4”x3”x3” NYC Fire Department approved Siamese connection located at the front façade of each building at a minimum of 18” from grade to a maximum of 36” from grade level.

(3) Water storage tank(s) and enclosures:

There will be no water storage tanks, detention tanks or enclosures at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure:

The building relies on normal New York City water pressure for raising water to the attic floor level so that no tanks or pumps are required. The water pressure at the site is approximately 50 psi.

(5) Sanitary sewage system:

(i) Sewage piping (material);

Sewage piping material shall be of extra heavy cast iron.

(ii) Sewage pump:

There is one (1) sewage pump systems in each building segment for a total of two (2) located in the cellar floor level towards the front of the building. The sump pumps shall be model number **P382LE41** as manufactured by **Liberty Pumps**. Each pump will have a capacity of approximately 3900 G.P.H. against a total dynamic head of 15 feet and will be equipped with a 4/10 HP motor. Pumps come with a 3yr manufacturer issued warranty

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron located towards the front of the building fronting 92nd Street.

The House trap will convey the sewage to 6" sanitary drains which will then be connected to an existing 12" combined sewer located in the roadway beneath 92nd Street.

(6) Permit(s) required:

A permit for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within each building and on the site.

A site connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm drainage system:

The onsite, storm drainage system will consist of gutters and leaders, exterior drains and drywells. Each building segment will have one (1) 8'-0" wide x 8'-0" deep concrete drywells for a total of two (2) drywells. Drywells shall be located in the rear yard area of each building segment and each drywell measures to have a capacity of approximately 402.12 cubic feet. All area drains shall be of cast iron and external gutters and leaders shall be of extruded aluminum.

The run-off from the surface and roof areas will be conveyed partially to the drywells and the existing combined sewer. A new 4" extra heavy, cast iron, horizontal, storm drain will be tied into a new combined 6" site connection to the existing 12" combined sewer, located in the roadway beneath 92nd Street.

The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch basins;

Catch basins are located in the public roadway along 92nd Street and have been installed and designed by and to the standards of the N.Y. City Department of Transportation. Catch basins are constructed of concrete with steel grating covers.

(ii) Yard and roof drains;

There will be external gutters and vertical leaders located at the roof areas above the attic floor level. Area drains will be located in the rear yard areas and in the open stairwells to the front of each building.

Gutters and leaders at the pitched roof areas shall be of extruded aluminum.

(iii) Piping;

Vertical drain piping at exterior roof areas shall be of aluminum. Interior vertical drain pipes shall be of cast iron.

(iv) Ejector or sump pumps;

There is one (1) sewage ejector pump systems in each building segment for a total of two (2) located in the cellar floor level towards the front of the building. The ejector pumps shall be model number **P382LE41** as manufactured by **Liberty Pumps**. Each pump will have a capacity of approximately 3900 G.P.H. against a total dynamic head of 15 feet and will be equipped with a 4/10 HP motor. Ejector pumps have 3 year manufacturer's warranty.

(k) HEATING

(1) Heating and distribution of domestic hot water and whether capable of providing peak required services:

Domestic hot water will be provided for each unit by electric domestic hot water heaters located in the sprinkler / mechanical room at the cellar floor level of the building. The hot water heater for each unit shall be model number **ENT-50**, as manufactured by **A.O. SMITH CORPORATION.** Each unit has a 50 gallon capacity with dual 4500 watt heating elements and a Uniform Energy Factor (UEF) rating of 0.92, which will be adequate to provide hot water for each unit. The hot water heater units come with a six-year manufactures warranty and a six year manufactures warranty for parts.

Heating of each residential unit will be achieved by the heating cycle of the ductless split HVAC system as manufactured by **Mitsubishi Electric**. The heating cycle of the exterior wall mounted HVAC units, will generate the heat energy required to heat the residential living spaces of the building. Heated air will be supplied to the different areas via wall diffusers. The HVAC system is controlled using a wireless seven day programmable remote controller manufactured by **Mitsubishi Electric** to regulate temperature in individual rooms. All HVAC piping shall be properly insulated with minimum 1" thick Armaflex brand closed cell foam insulation that has an R value of 7.2. The HVAC units come with a seven year manufactures warranty and a five year manufactures warranty for parts. The sponsor reserves the right to provide HVAC & condenser units by different manufacturers, which are equal to or better than listed above the space heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees Fahrenheit with a 15 mph wind (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport).

(2) Number of boilers and description:

Each building segment will have two (2), new, electric hot water heaters provided in the sprinkler / mechanical room at the cellar floor level, one for each residential unit.

(3) Manufacturer (model, capacity):

The electric hot water heater shall be model number **ENT-50**, manufactured by **A.O. SMITH CORPORATION**, with a certified to UL 174 for household electric water heaters. Each unit has a 50 gallon capacity with dual 4500 watt heating elements and a Uniform Energy Factor (UEF) rating of 0.92, which will be adequate to provide hot water for each unit. The hot water heater units come with a six-year manufactures limited warranty and a six year manufactures limited warranty for parts. The Sponsor reserves the right to provide hot water heaters by different manufacturers which are equal to or better than noted above.

The HVAC units shall be manufactured by **Mitsubishi Electric**. The condensers for the residential Unit 1A & 1B shall be **Mitsubishi Electric**, Model # MXZ-4C36NA3, with a rated capacity of 60,000 B.T.U. per hour. The condensers for the residential Unit 2A &2B shall be **Mitsubishi Electric**, Model # MXZ-SM48NAM-U1 with a rated capacity of 48,000 B.T.U. per hour. Each condenser will operate with an energy efficiency rating of approximately 12.0 and a seasonal energy efficiency rating of 18.0. The Sponsor reserves the right to provide equipment by different manufacturers which are equal to or better than noted above.

(4) Manufacturer and age of burners:

Electric hot water heater, heating elements will be new and will be as manufactured by **AO SMITH**.

HVAC system will be new and will be manufactured by **Mitsubishi Electric**.

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

(5) Type of controls:

Electric hot water heaters shall be equipped with thermostats.

The HVAC system is controlled using a wireless seven-day programmable remote controller manufactured by **Mitsubishi Electric** to regulate temperature in individual rooms.

(6) Radiators, piping etc.:

There will be no baseboard radiators.

(7) Fuel (supply system):

There is no gas service provided. The building will use electricity for domestic cooking, heating, and hot water heating

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

(l) GAS SUPPLY

There is no gas service provided. The building will use electricity for domestic cooking, heating, and hot water heating. The following sections will not be applicable to this Report:

(1) Type:

(2) Meters:

(3) Piping:

(m) AIR CONDITIONING

The cooling systems shall be designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code. All exterior metals, including fasteners, shall be corrosion resistant.

(1) Type of system,

Cooling of each residential unit shall be provided by the cooling cycle of the Ductless Mini- split H.V.A.C. systems. Cooling of each unit shall be achieved by the wall mounted ductless mini-split air handler units. There are no ducts, therefore insulation information does not apply. The HVAC system is controlled using a "Wireless Remote Controller / System Controller" to regulate temperature.

(2) Central System (manufacturer, model, capacity):

There will be no central system.

(3) Cooling towers or Condensers (number, location, description):

Condensers will be wall mounted on the side and rear façades of the building. The condensing units mounting will utilize vibration isolators and will be designed to comply with the acceptable noise levels as per Section 27-770 of the N.Y. City Building Code. All mounting brackets shall be primed and receive two coats of paint and all piping shall be insulated using a minimum 1" thick Armaflex brand insulation. All exterior metals, including fasteners, shall be corrosion resistant.

The HVAC units come with a ten year manufactures warranty. Warranty coverage begins on date the owner purchases the residence from the builder.

Condensing units will be subject to inspection and signoff by the Department of Buildings prior to a final sign off being issued. The condenser units shall be:

Model number	Manufacturer	Floor Serviced	Input capacity	# of units
MXZ-4C36NA3	**Mitsubishi Electric**	**Unit 1A/1B**	**60,000 Btu/h**	**2**
MXZ-SM48NAM-U1	**Mitsubishi Electric**	**Unit 2A/2B**	**48,000 Btu/h**	**1**

Units installed should be U.L. approved or N.Y. City M.E.A. or B.S.A. approved if necessary. Each HVAC condenser will operate with an energy efficiency rating of approximately 12.0 and a seasonal energy efficiency rating of 17.0.

HVAC systems to be installed, shall be designed by a N.Y. State licensed mechanical engineer and shall be filed with and approved by the N.Y. City Department of Buildings, prior to installation

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no individual air conditioning units or AC sleeves provided at the exterior of the building.

(n) VENTILATION

The spaces that require mechanical ventilation in the units are the interior bathrooms, kitchens and laundry closets. These spaces shall be equipped with vertical and horizontal ducts with a fan which terminates to the outside air. Mechanical ventilation ducts to the outside air shall also be provided for the dryers within the laundry closets. The minimum rate of exhaust ventilation shall be 50 cfm, for bathroom and toilet room areas and 100 cfm exhausted intermittently for kitchens as required by the New York City Building Code. Exhaust ventilation has an HVI sound rating of 1.2 sones. The Sprinkler / mechanical room located at the Cellar Floor level is provided with a 6” x 6” Fresh Air Intake Fresh Air Intake, with an aluminum louver and bug screen at the exterior face.

There is no cooking; living or sleeping permitted in the accessory cellar area thus ventilation requirements do not apply as per New York City Building Code. Building plans have been reviewed for ventilation requirements and compliance to all NYC building Code by the NYC DOB.

(o) **ELECTRICAL SYSTEM**

There are no provisions for electricity supply in the event of power outages. There will be no generators provided.

(1) Service from main service switchgear:

The electrical service to the building will be brought in from the terminal point of the Con Edison Company. The service supplied to the building shall be provided by 3 #2 wires. Each unit will be provided with 110/220 Volt single phase 175 Amp service. The common areas will be provided with a 110/220 Volt single phase 100 Amp service. Electric meters shall be located in the electric meter room located at the cellar floor level towards the front of the building. The electrical system will be adequate to handle all residential units as well as the common areas of the building. An electrical load letter shall be submitted detailing load calculations for the main circuit breaker.

(2) Service to individual units:

There will be separate meters for each residential unit.

Service size to Residential Units shall range from circuit breakers to units and ratings: 175 amps, 110/220 volt, single phase, service.

The electrical service will be transported throughout the apartment via, new, insulated, #3 AWG THHN copper wire cables.

(3) Compartment switchgear:

The sectional meter boards and transformers supplying power to the meter boards will be located in an electrical meter room at the cellar floor level towards the front of each building.

(4) Unit service:

Each residential unit will be equipped with 175 Amp circuit breakers.

The electrical system will be adequate to handle modern usage and appliances such as air conditioners, induction ranges, dishwashers, and electric dryers.

Arc Fault Circuit Interrupter receptacles and Ground Fault Circuit Interrupter receptacles will be provided; Tamper Resistant receptacles will be provided in all areas.

Water Resistant receptacles will be provided in exterior areas.

(5) Adequacy:

(i) Service;

There will be approximately twenty five circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, induction ranges, dishwashers, and electric dryers.

(ii) Lighting and fixtures;

There shall be at least one centrally located, overhead, incandescent, or equivalent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination.

Lighting fixtures and electrical outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets, appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, toilet room etc. within each unit. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) **INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV**

Each unit will be equipped with an intercom at the entrance, which will permit voice contact between the inside of the unit and the exterior. The intercom at the main entrances shall be Model BE-D5S and within each unit shall be Model # BE-V5-7RW, as manufacture by BEC AUDIO.

BEC AUDIO warrants its products to be free of manufacturer defects for one year of actual sale date. This warranty only applies to products purchased from authorized dealers or distributors. If proof of installation cannot be supplied the manufacturer serial number or date code will be substituted. There is no CCTV in the building.

The building will be wired for Verizon FIOS and Cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment which is equal to or better than noted above.

(q) **PUBLIC AREA LIGHTING**

Fixtures shall be capable of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixtures shall be provided with one or more lights, of a total of not less than sixty (60) watts. In addition, lighting fixtures shall be provided at the front entrances and stairwells, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent. There shall also be provided, in the yard areas to the front, sides and rear, at least one light, each of at least forty (40) watts incandescent illumination. Lights shall be manufactured by Portfolio 3-Light Post Top Lantern (model # FY09-007). Lamping is E12 60W B type bulb.

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

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

(r) GARAGES AND PARKING AREAS

(1) Location of garages:

There will be no garages.

(2) Location of parking areas:

The parking areas for each building will be located in the rear yard areas of the properties. As per parking calculations in accordance with ZR 23-12(e) and ZR 25-64(b), two parking spaces are required per building. There will be two (2) open parking spaces at the rear yard of each building for a total of four (4) parking spaces measuring 8'-6"x18'-0" (150 sq.ft.) each. Parking space dimensions are compliant with ZR 25-62. There are no allocated handicap "ADA" parking spaces. The parking area of building #368 will be accessible via a drive way located at the side yard of building #372. A Driveway declaration has been created to provide a permanent access area that shall be used to permit and enable present and future owners of the open parking spaces to pass over land located at building # 372 for the purpose of ingress and egress to and from 92nd Street to the rear of the property for motor vehicle use and Fire Dept access. The Access area shall at all times be maintained and kept clear and unobstructed. This declaration shall be recorded at the City Register's Office against all affected parcels of land and the cross-reference number and title of the declaration shall be recorded on each temporary and permanent certificate of occupancy.

The parking layout in the rear yard is adequate to permit convenient access and maneuvering in accordance with regulations promulgated by the N.Y. City Department of Buildings. The parking spaces are for the use of the owner occupants, exclusively. The sponsor may rent any off-street parking spaces to non-residents of the building, for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to residents within 30 days after a written request is made to the sponsor, by such residents.

The Sponsor will not provide Electric vehicle charging stations. Provisions for electrical vehicle charging stations in accordance with section 406.2.II or 406.7.11 of the New York city building code shall be provided at the rear yard area of each building for a total of two (2), with a panel capacity and conduit for future installation of 208/240V 40-amp outlets for electric vehicle service.

(3) Surfaces:

The parking spaces shall be of poured, reinforced concrete on gravel and compact fill.

(4) Parking:

The parking will not be attended.

(5) Garage ventilation:

There will be no garage hence no ventilation required.

(6) Garage fire protection:

There will be no garage hence no fire protection required.

(7) Drainage:

Parking areas will be equipped with two (2) cast iron area drain which will be connected to concrete drywells which will be part of the building's storm drainage system.

(s) SWIMMING POOL(S)

There will be no swimming pools in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Type (concrete, material composition) and Location;
(2) Size (length, width, depth, capacity);
(3) Enclosure (material including roof);
(4) Pumping and filter system;
(5) Water heating equipment;
(6) Structural support system (roof location);

(t) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

There will be no tennis courts playgrounds or recreational facilities in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Tennis Courts:
    (i) Type (clay, macadam, turf);
    (ii) Number and Size;
    (iii) Lighting (number and type);
    (iv) Fencing and enclosure;
(2) Playgrounds (size and location);
(3) Other Recreation facilities;

(u) PERMITS AND CERTIFICATES

All required permits and sign-offs required and Certificate of Occupancy are to be obtained by the Sponsor.
The following permits will be obtained by the Sponsor:

PERMIT TYPE	AGENCY
Demolition	Department of Buildings
Fence	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Electrical	Department of Buildings
Mechanical/HVAC	Department of Buildings
Site Connection	Department of Environmental Protection
Builders Pavement (Construct new sidewalk)	Department of Transportation

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

The following is a list of all recurring inspections to be done after the building is in operation:

- Boiler inspection - to be conducted annually
- Fire Alarm inspection - to be conducted bi-annually
- Sprinkler inspection - to be conducted annually
- Backflow Valve inspection - to be conducted annually
- As per NFPA 80 - 5.2 Inspections: Fire door assemblies shall be inspected and tested not less than annually, and a written record of the inspection shall be signed and kept for inspection by the AHJ.

(v) VIOLATIONS

There are currently no active violations listed for the property as per the N.Y. City Department of Buildings Information System website. Sponsor will cure any outstanding violations prior to the closing.

(w) UNIT INFORMATION

The buildings will have a total of four (4) residential units and four (4) open parking spaces. The residential units will be located at the first through second floor levels. The cellar floor level will be used in conjunction with the units at the first floor level. The attic floor level will be used in conjunction with the units at the second floor level. The cellar floor level will have a floor to ceiling height of approximately 8'-0". The first floor level will have a floor to ceiling height of approximately 9'-0". The second floor level will have a floor to ceiling height of approximately 8'-6". The attic floor level will have a sloping floor to ceiling height of approximately 8'-0" at its lowest point to approximately 10'-0" at its highest point. Attic space is a habitable space and is sprinklered.

368 92nd Street - "Building "A"

Units P3 & P4 will each consist of:

One open parking space

Unit 1A will consist of:

Two (2) bedrooms, three (3) bathrooms, living / dining room, kitchen, laundry closet and accessory space;

Unit 2A will consist of:

Two (2) bedrooms, three (3) bathrooms, living / dining room, kitchen laundry closet and attic space;

372 92nd Street - "Building "B"

Units P1 & P2 will each consist of:

One open parking space

Unit 1B will consist of:

Three (3) bedrooms, three (3) bathrooms, living / dining room, kitchen, laundry closet and accessory space;

Unit 2B will consist of:

Three (3) bedrooms, three (3) bathrooms, living / dining room, kitchen, laundry closet and attic space;

UNIT SIZES:

The dimensions indicated are approximate and are located: horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.
The approximate square footages for each unit are as follows:

368 92nd Street - "Building A"

Unit P3	Grade	=	153.00 sq. ft.
Unit P4	Grade	=	153.00 sq. ft.
Unit 1A	Cellar Floor	=	1,026.00 sq. ft.
	First Floor	=	1,056.00 sq. ft.
			2,082.00 sq. ft.
Unit 2A	First Floor	=	45.00 sq. ft.
	Second Floor	=	1,100.00 sq. ft.
	Attic Floor	=	415.00 sq. ft.
			1,560.00 sq. ft.

372 92nd Street - "Building B"

Unit P1	Grade	=	153.00 sq. ft.
Unit P2	Grade	=	153.00 sq. ft.
Unit 1B	Cellar Floor	=	1,077.00 sq. ft.
	First Floor	=	1,107.00 sq. ft.
			2,184.00 sq. ft.
Unit 2B	First Floor	=	45.00 sq. ft.
	Second Floor	=	1,151.00 sq. ft.
	Attic Floor	=	623.00 sq. ft.
			1,819.00 sq. ft.

(1) **UNIT FINISHES;**

The units will be finished as described herein.

The finished floor of the living/ dining bedroom and attic areas of the residential units shall be a hardwood finished floor of ¾“ thick x 2 ¼” wide select grade, hardwood, oak strips as manufactured by Heirloom Woods Inc on ¾“plywood subflooring. The manufacturer guarantees the operativeness of the floor for a period of 24 months from the purchase date. The warranty is limited to the initial owner and voided by the installation of the flooring in a damp environment. Furthermore, damages caused by Acts of God, inappropriate uses, accidents, or moisture penetration are not covered. Also excluded from this warranty are the following: creaking, open joints, cracks, and damage caused by chemical or mechanical actions such as stains or scratches; changes to the floor caused by seasonal climatic conditions; pressure marks; normal wear and tear; fading of the color; damage caused by inappropriate installation or maintenance of the floor. The warranty is further voided by any or all renovations to the floor and is not transferable to subsequent owners. The Sponsor reserves the right to provide hardwood flooring of a different species or grade which is equal to or better than noted above. Thereafter unit owners may finish carpeting or another material of their own choice and at their own expense.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Residential kitchenettes shall have either a ceramic tile or hardwood finished flooring and gypsum wallboard walls and ceilings. When finished the walls and ceilings shall be primed and painted.

Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

When completed, the following interior finishes will be installed.

	Location	Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Kitchen	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
4.	Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
5.	Laundry Closet	Ceramic Tile	Ceramic Tile	G.W.B. Painted	G.W.B. Painted
6.	Attic	Wood	Wood	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard Mas. : Denotes Masonry

(2) BATHROOM FIXTURE SCHEDULE;

A. Water Closets: shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.
Water closets shall be model number K3979 as manufactured by Kohler.

B. Countertop lavatory: shall be of vitreous china with faucet; set in a plastic laminate finished, particle board vanity countertop.
Lavatories shall be model number K2916 as manufactured by Kohler, with Grohe Concetto series faucet and trim.

C. Bathtubs: shall be of enameled exterior, with flow outlet, and shower head and trim.
Bathtubs shall be Archer model number K1123WH as manufactured by Kohler.

(3) **KITCHENETTE EQUIPMENT SCHEDULE;**

The kitchenette areas will generally be provided with the following fixtures, appliances and equipment:

1. Formica or wood laminate, wall and base cabinets and granite countertops.
2. One stainless steel sink, model # 400 as manf. by Crane, with faucets by Delta.
3. One, 30” four burner Induction Range, model number MAST304INMXE as manufactured by Bertazonni.
4. One refrigerator, model number GDSSOKCXSS as manufactured by GE
5. Dishwasher by GE, model # GLD5664VSS.

Note:

Additional kitchenette appliances and fixtures including additional gas ranges will be the responsibility of the unit owners. Sponsor will not provide laundry equipment. The actual laundry equipment will be the responsibility of each unit’s occupant.

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

(x) FINISH SCHEDULE (SPACES OTHER THAN UNITS)

	Location	Floors	Base	Walls	Ceilings
1.	Mechanical Room	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
2.	Meter & Sprinkler Rm	Concrete	Mas./G.W.B.	Mas./G.W.B.	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(y) **SAFETY AND WARNING DEVICES**

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit and also within each bedroom of the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detectors come equipped with a battery backup. Each Unit owner shall be responsible to keep and maintain the detectors in good repair and to replace any detectors which have been removed, found missing or rendered inoperable. Sponsor makes no representation whether Unit Owners will comply with the foregoing obligations. The smoke and carbon monoxide detectors and sprinklers are the fire and smoke safety devices required by the N.Y. City Building Code. All required safety devices shall be installed and are subject to inspection by the N.Y. City Department of Buildings. There is no fire alarm system or central station.

(z) **ADDITTIONAL INFORMATION REQUIRED**

All drywall materials used in this condominium do not contain “Sulfide”. It is to be stated as a Particular Concern that such drywall materials are known to emit a sulfurous odor when heated, are corrosive to copper plumbing and electrical wiring; and are conductive to Sick Building Syndrome.

The following documents shall be transmitted to the condo management upon transfer of control, as applicable:

- Final as-built drawings
- Operation & maintenance manuals for mechanical equipment
- Electronic system manual
- Equipment warranties
- Manufacturer’s roof warranty
- Major equipment start-up sheets & control system as-built
- Original test & balance report for HVAC system

ADDITTIONAL INFORMATION:

To the best of my knowledge, belief and professional judgment these plans and specifications are in compliance with the 2016 Energy Conservation Construction Code of New York State, using Chapter E5.

§ 20.7 (bb) Further development.

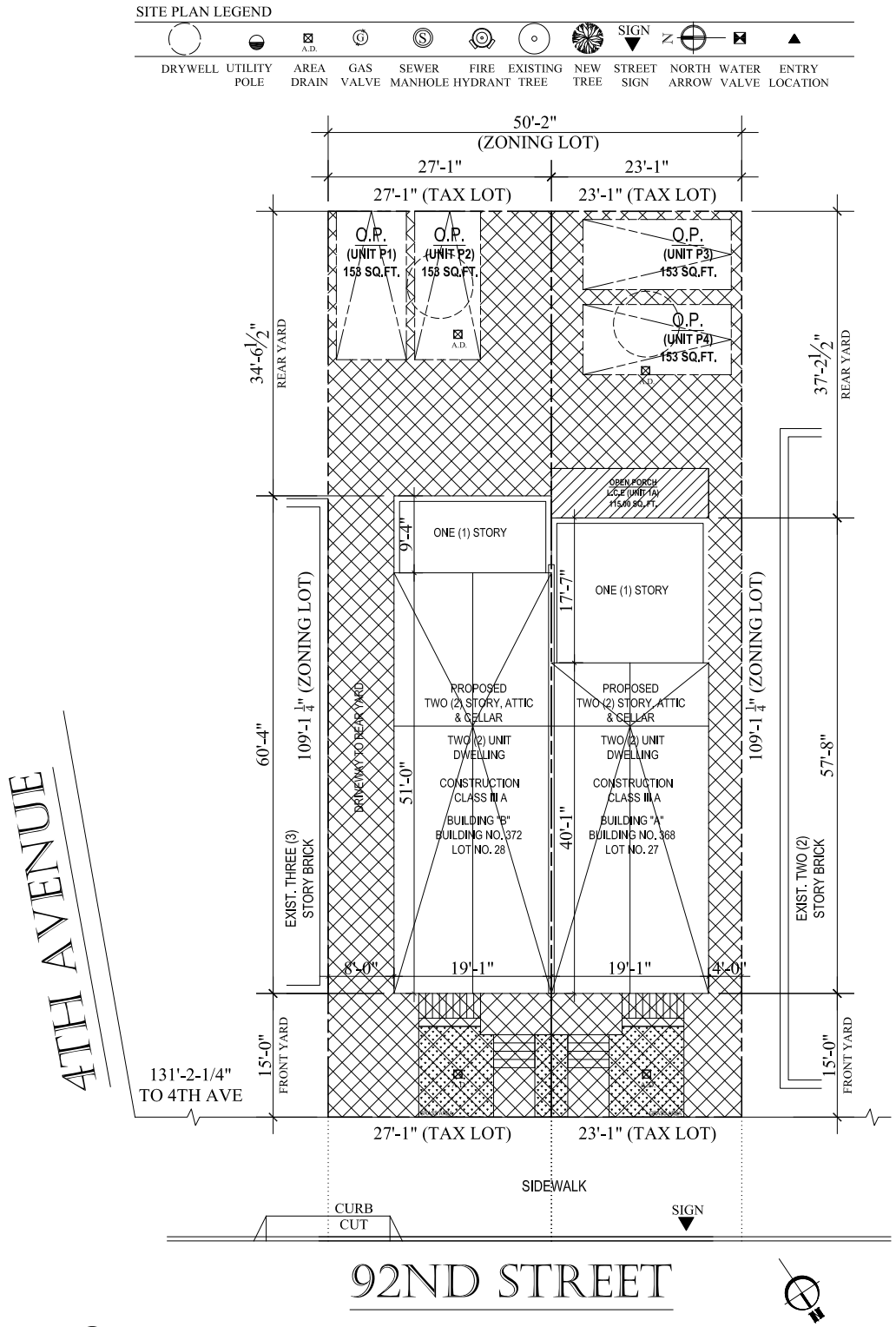
No further development is proposed.

§ 20.7(cc) Asbestos.

There is no Asbestos Containing Material (ACM) present, as it is new construction.

§ 20.7 (dd) Lead-based paint.

There is no lead based paint present, as it is new construction.



PLOT PLAN

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15'
0 2' 4' 20'

- LIMITED COMMON ELEMENTS
- COMMON AREAS

DATE : 07-17-25
DRAWN BY : DESIGN STUDIO ASSOCIATES

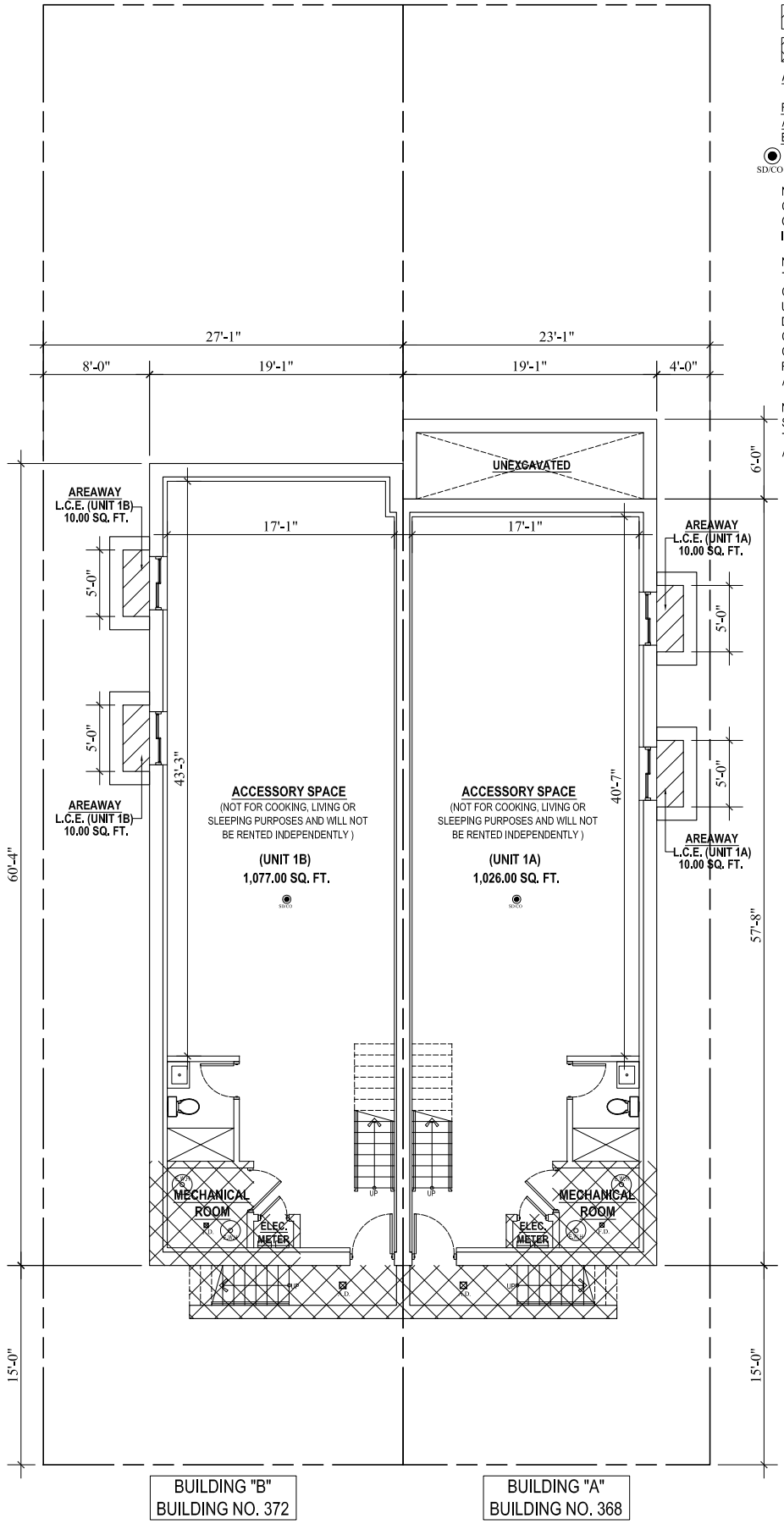
BLOCK : 6103

LOT : 27 & 28

O.P. : DENOTES OPEN PARKING SPACE APPROX. 8'-6" x 18'-0"

NOTE :

A DRIVEWAY DECLARATION HAS BEEN CREATED TO PROVIDE A PERMANENT ACCESS AREA THAT SHALL BE USED TO PERMIT AND ENABLE PRESENT AND FUTURE OWNERS OF THE OPEN PARKING SPACES TO PASS OVER LAND LOCATED AT BUILDING # 372 FOR THE PURPOSE OF INGRESS AND EGRESS TO AND FROM 92ND STREET TO THE REAR OF THE PROPERTY FOR MOTOR VEHICLE USE AND FIRE DEPT ACCESS.



- LIMITED COMMON ELEMENTS

- COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND

F.D. - INDICATES FLOOR DRAIN
A.D. - INDICATES AREA DRAIN
E.H.W.- INDICATES ELECTRIC HOT WATER HEATER
SD/CO - INDICATES SMOKE/CARBON DETECTOR

NOTE : ACCESSORY STORAGE SPACE IN THE CELLAR SHALL NOT BE USED AS LIVING ROOMS OR FOR SLEEPING PURPOSE OR RENTED INDEPENDENTLY OF THE DWELLING UNIT ABOVE

NOTE : AS PER NYC DOB -BB-2011-010 "THE THREE-FIXTURE BATHROOM LOCATED IN 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 INDEPENDENT OF THE DWELLINGS ABOVE."

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

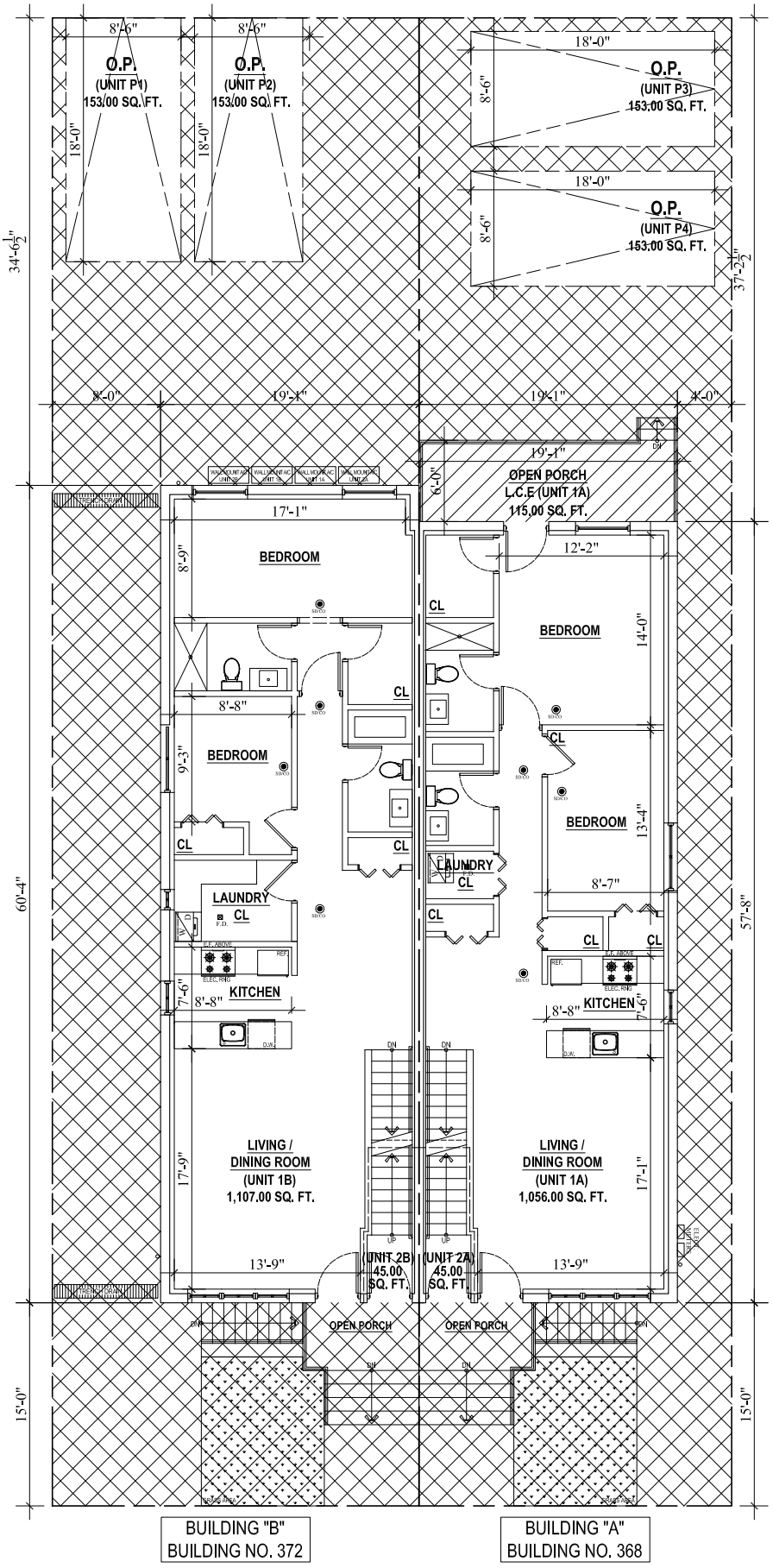
CELLAR FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

PROJECT NORTH

THE 92ND STREET CONDOMINIUM
368 & 372 92ND STREET , BROOKLYN, N.Y.
DATE : 10-24-25
DRAWN BY : DESIGN STUDIO ASSOCIATES



BUILDING "B"
BUILDING NO. 372

BUILDING "A"
BUILDING NO. 368

- LIMITED COMMON ELEMENTS

- COMMON AREAS

- O.P. DENOTES OPEN PARKING SPACE

APPLIANCE & EQUIPMENT LEGEND

W/D- INDICATES STACKABLE TYPE WASHER & ELECTRIC DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD
A.D. - INDICATES AREA DRAIN
F.D. - INDICATES FLOOR DRAIN
SD/CO - INDICATES SMOKE/CARBON DETECTOR

NOTE : "LAUNDRY APPLIANCES ARE FOR LOCATION PURPOSES ONLY AS THEY ARE NOT PROVIDED BY THE SPONSOR"

NOTE : ACCESSORY STORAGE SPACE IN THE CELLAR SHALL NOT BE USED AS LIVING ROOMS OR FOR SLEEPING PURPOSE OR RENTED INDEPENDENTLY OF THE DWELLING UNIT ABOVE

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

FIRST FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

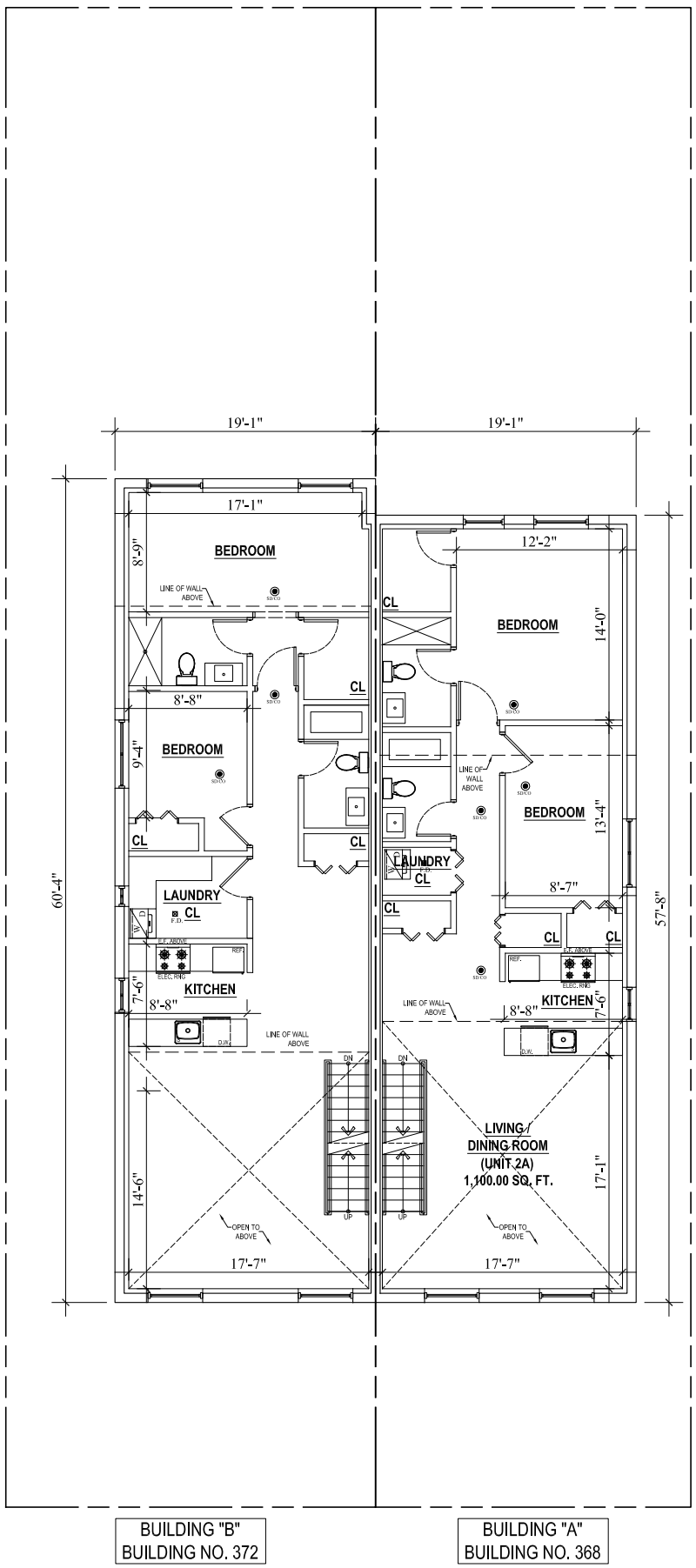
PROJECT NORTH

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES



- LIMITED COMMON ELEMENTS

- COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND

W/D- INDICATES STACKABLE TYPE WASHER & ELECTRIC DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD
F.D. - INDICATES FLOOR DRAIN
SD/CO - INDICATES SMOKE/CARBON DETECTOR

NOTE : "LAUNDRY APPLIANCES ARE FOR LOCATION PURPOSES ONLY AS THEY ARE NOT PROVIDED BY THE SPONSOR"

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

BUILDING "B"
BUILDING NO. 372

BUILDING "A"
BUILDING NO. 368

SECOND FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

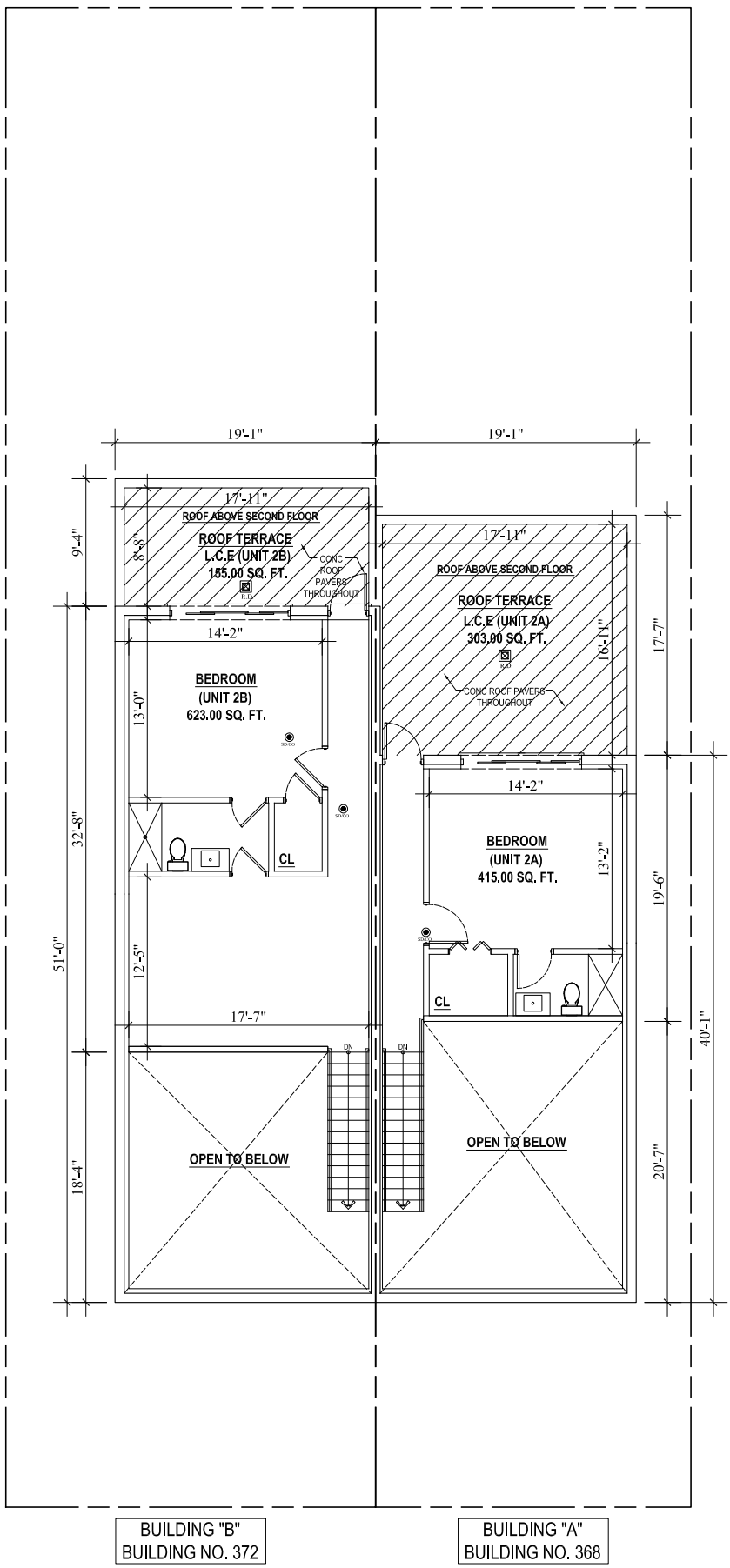
PROJECT NORTH

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES



BUILDING "B"
BUILDING NO. 372

BUILDING "A"
BUILDING NO. 368

- LIMITED COMMON ELEMENTS

- COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND

R.D. - INDICATES ROOF DRAIN

SD/CO - INDICATES SMOKE/CARBON DETECTOR

NOTE : ROOF TERRACE ACCESSORY TO DWELLING UNITS. MAX NUMBER OF PERSONS 30

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

ATTIC FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

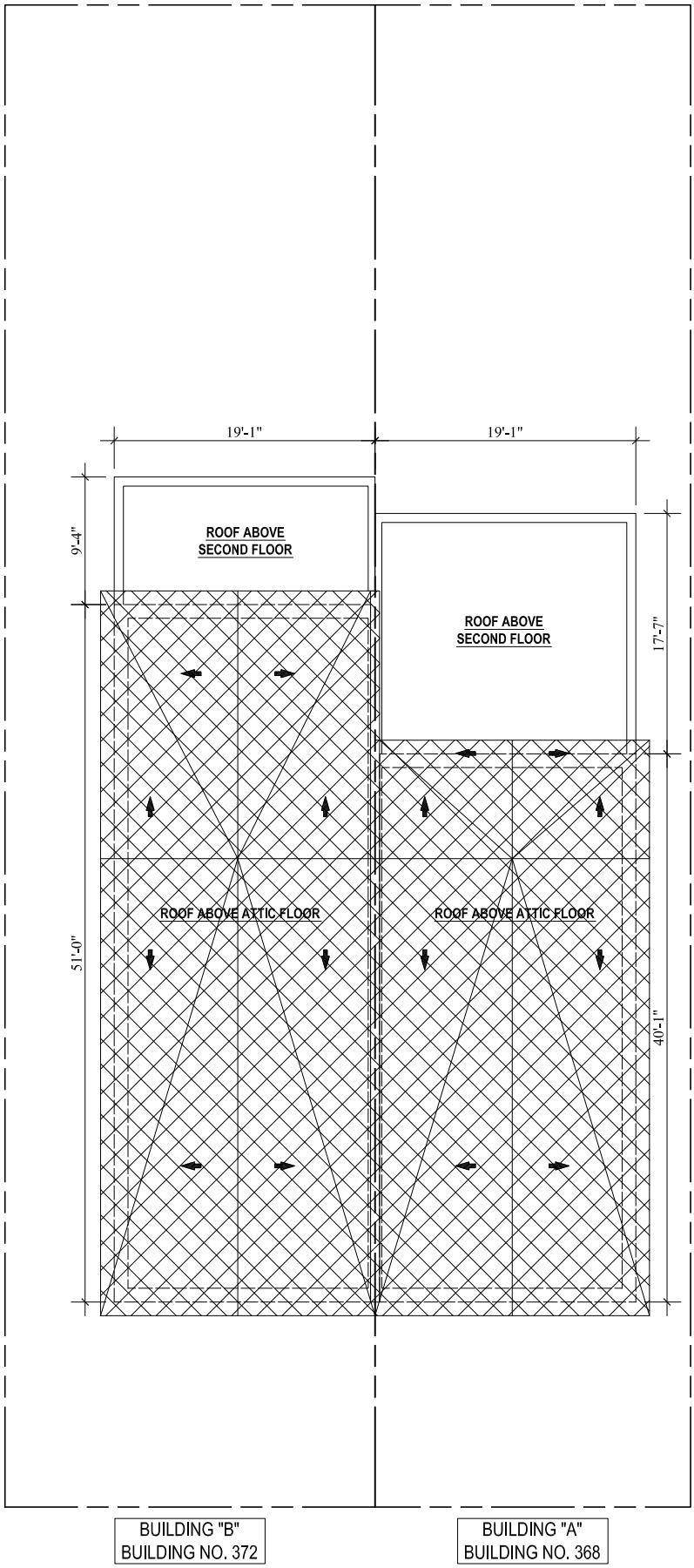
PROJECT NORTH

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES



- LIMITED COMMON ELEMENTS

- COMMON AREAS

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

ROOF PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

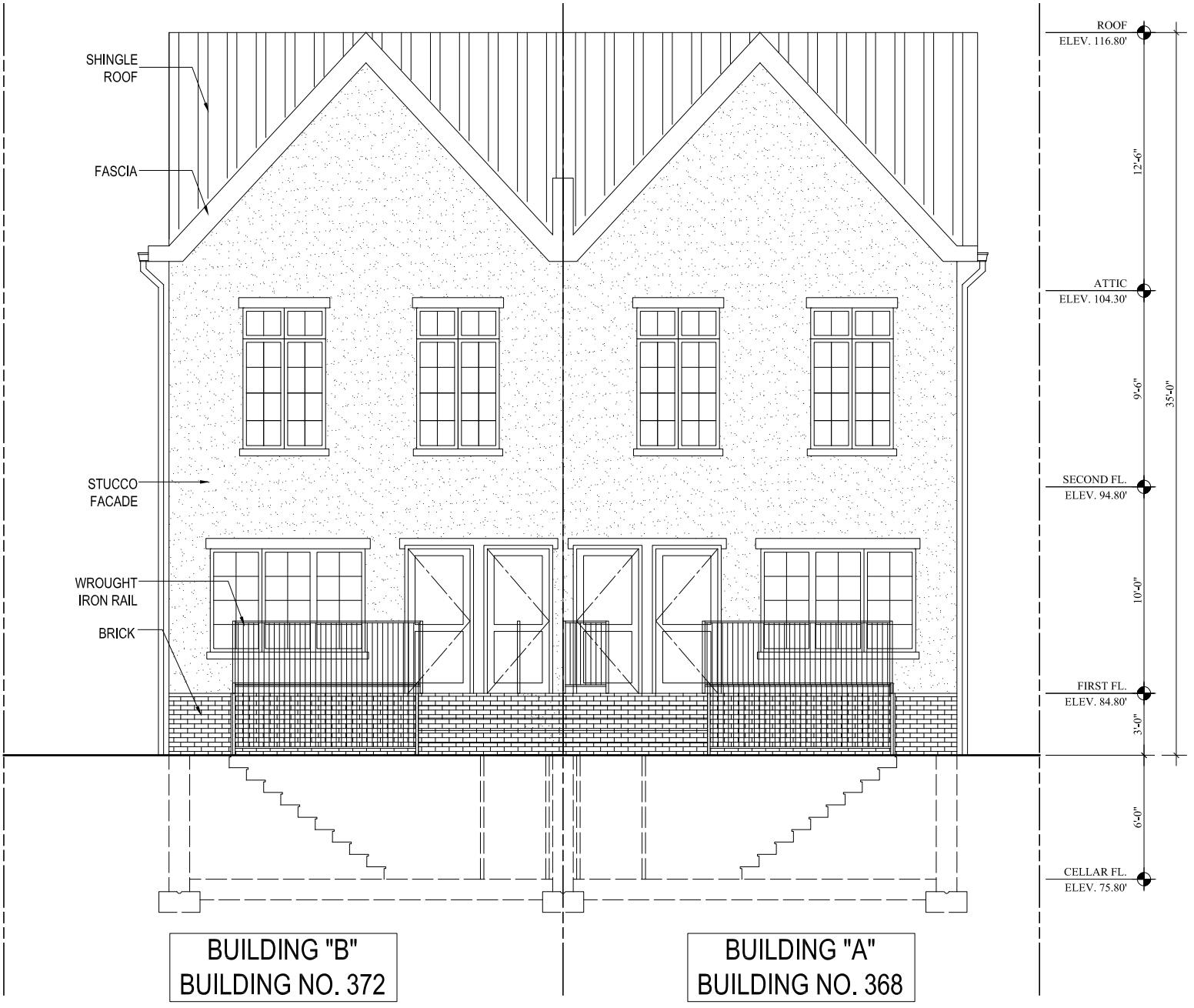
PROJECT NORTH

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES



FRONT ELEVATION

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES

REAR ELEVATION

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES

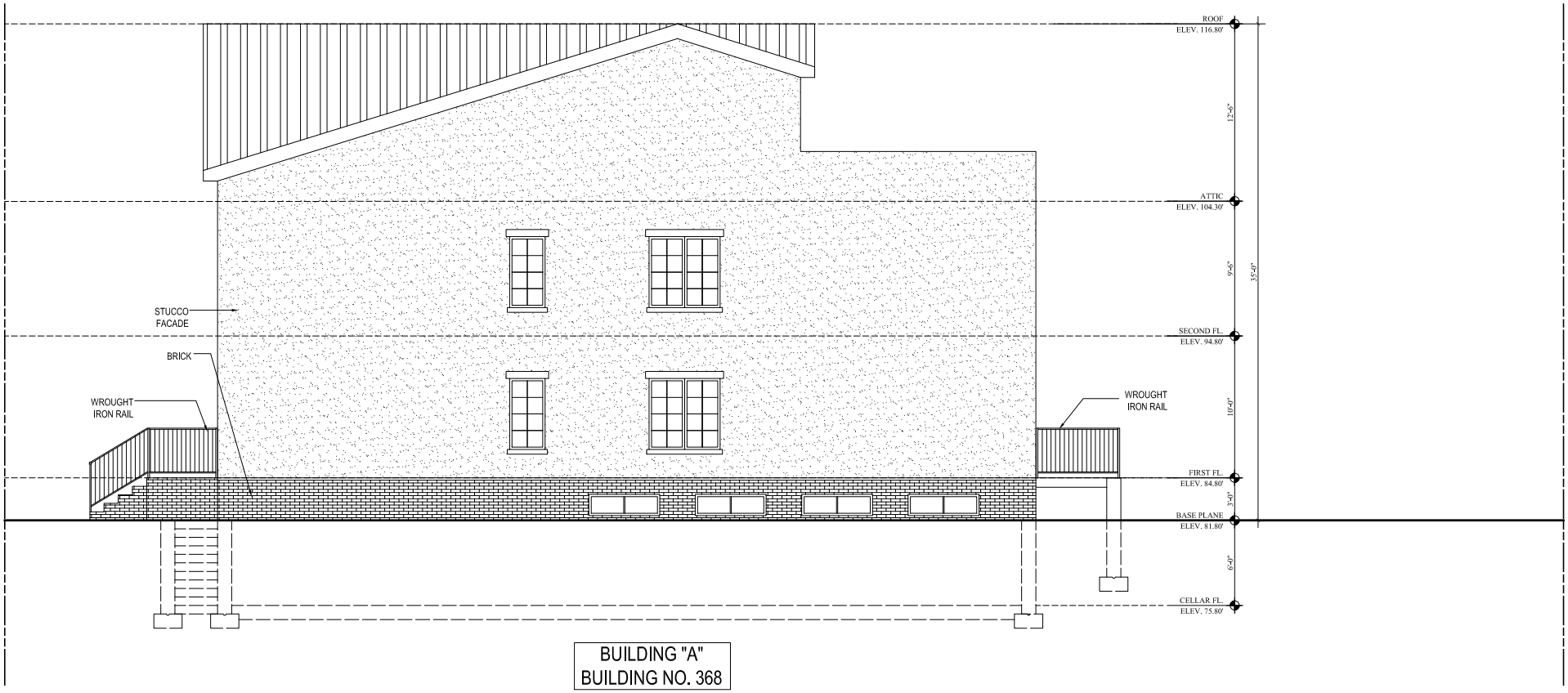
SIDE ELEVATION

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES



BUILDING "A"
BUILDING NO. 368

SIDE ELEVATION

THE 368 & 372 92ND STREET CONDOMINIUM

368 & 372 92ND STREET , BROOKLYN, N.Y.

DATE : 07-17-25

DRAWN BY : DESIGN STUDIO ASSOCIATES

JJ. HOUSING MERCHANT LIMITED WARRANTY

The following is General Business Law §777 which is the Housing Merchant Warranty Law, which the Sponsor exclude in favor of the Limited Warranty contained in this Offering Plan:

New York General Business Law § 777. Definitions:

As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale Unit in a multi-Unit residential structure of five stories or less in which title to the individual Units is transferred to owners under a Condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or Unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a Certificate of Occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, 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.

New York General Business Law § 777-a. Housing merchant implied warranty:

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the Sponsor, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

New York General Business Law § 777-b. Exclusion or modification of warranties:

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a Limited Warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the Limited Warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the Limited Warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the Limited Warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The Limited Warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A Limited Warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a Limited Warranty which limits implied warranties on the sale of the home; the words "Limited Warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the Limited Warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the Limited Warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a Limited Warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the Limited Warranty, where the court finds that such limitation or exclusion would cause the Limited Warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

The remainder of this page is intentionally left blank.

DATED _____ ___, 20_____

by and between _____, Purchaser(s)

and 368 Dev LLC, Sponsor

Limited Warranty

NAME OF PURCHASER(S): _____

ADDRESS OF PURCHASER(S): _____

_____

ADDRESS OF UNIT WARRANTED: Unit _____,
368 & 372 92nd Street
Brooklyn, New York

NAME OF SPONSOR: 368 DEV LLC
7909 10th Avenue,
Brooklyn, New York 11228

WARRANTY DATE: Earlier of date of closing of title or
date of possession

SPONSOR'S LIMIT OF TOTAL LIABILITY: In no event shall the Sponsor's total to Purchaser under this Limited Warranty exceed the purchase price of the Residential Unit less, any insurance proceeds received by Purchaser (the "Maximum Liability of Sponsor").

THIS LIMITED WARRANTY SHALL BE ONLY TO THE REPAIR OF DEFECTIVE MATERIAL OR WORKMANSHIP AS PROVIDED HEREIN AND EXCLUDES ALL CONSEQUENTIAL AND INCIDENTAL DAMAGES, EXCEPT AS REQUIRED BY NEW YORK STATE LAW.

1. To Whom Given

This Limited Warranty is extended only to the Purchaser named on the Condominium and only for so long as the Purchaser owns the Unit. It does not extend to subsequent owners of the Unit or other persons including, without limitation any mortgagee taking possession of the Unit whether by foreclosure or otherwise.

2. By Whom Made

This Limited Warranty is made exclusively by 368 Dev LLC.

3. Final Inspection of the Unit

Before the Purchaser moves into the Unit or accepts the deed, the Sponsor will set up an appointment for final inspection of the Unit with the Purchaser. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature including, without limitation, mars, chips, dents, cracks, or scratches that may have occurred during the final stages of finishing the Unit, or any unfinished work. The Sponsor may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Unit will be itemized on a Final Inspection Sheet, which will include a schedule for each item that will be corrected. The Final Inspection Sheet will be signed by the Purchaser and the Sponsor before occupancy of the Unit or transfer of the deed.

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

(a) completion of items shown and as provided on the Final Inspection Sheet.

(b) performance of warranty obligations expressly provided under the provisions of this Limited Warranty. The purpose of the Limited Warranty is to identify the Sponsor's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. Limited Warranty.

This Limited Warranty excludes all other warranties on the construction and sale of the Unit and its components, both express and implied. There are no warranties which extend beyond the express terms hereof.

5. Warranty Coverages and Periods.

The Warranty Period for all coverages begins on the date that the Purchaser, or member of the Purchaser's family takes title to the Unit or any person begins residential occupancy of the Unit, whichever date is earlier. It ends at the expiration of the coverages shown below:

FIRST YEAR BASIC COVERAGE:

For one year from the Warranty Date ("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), the Unit will be free from latent defects that constitute:

(a) defective workmanship performed by the Sponsor, and agent of the Sponsor or subcontractor of the Sponsor;

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

(e) defective design, provided by an architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

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

Sponsor under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Sponsor's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes and Condominium Unit in the City of New York, the Building Code of the City of New York) or, in the event such standards do not exist in connection with any warranty item, if they fail to meet the locally accepted building practice.

TWO-YEAR MAJOR SYSTEMS COVERAGE:

For two years from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Sponsor is warranted to be free from latent defects that constitute defective installation by the Sponsor.

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building

Code (or, for Units in the City of New York, the Building Code of the City of New York) or, in the event such standards do not exist in connection with a warranty item, if they fail to meet locally accepted building practice.

The Plumbing Systems means: oil supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, oil and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

All systems are expressly exclusive of appliances, fixtures and items of equipment.

SIX-YEAR MAJOR STRUCTURAL DEFECT COVERAGE:

For six years from the Warranty Date ("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),, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(d) defective workmanship performed by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor;

(e) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(f) defective design, provided by an architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code or, in the event such standards do not exist in connection with a warranty item, if they fail to meet locally accepted building practice.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Unit caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

By way of example and not in limitation of the foregoing, damage to the following non-load bearing portions of the Unit do not constitute a Material Defect for the Material Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in the attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances; fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation and items of a similar nature.

6. Exclusions From All Coverages.

The following are expressly excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Sponsor.

(d) Any fixtures, equipment or appliance included within, without limitation including, stoves, refrigerators, freezers, room air conditioners, dishwashers, washers, dryers and similar items, unless a latent defect is caused by the failure of Sponsor, its agent or subcontractor to have installed same in a skillful manner.

(e) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Unit prior to acceptance of the deed or occupancy of the Unit ought to have revealed.

(f) Defects in outbuilding including but not limited to detached garages and detached carports (except outbuilding which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Unit); 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); off-site improvements or any other improvements not as part of the Unit itself.

(g) After the first year Basic Coverage, concrete floors of cellars and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Unit.

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

(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 Sponsor, its employees, agents, or subcontractors; or

(ii) failure by the Purchaser or anyone other than the Sponsor, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Sponsor of any defects or damage within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Sponsor, its employees, agents or subcontractors; or

(v) changes, alterations or additions made to the Unit by anyone after the Warranty Date; or

(vi) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation;

(j) Any condition which does not result in actual physical damage to the Unit;

(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, lightening, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, changes in the underground water table or other matters not reasonably foreseeable and within the reasonable control of Sponsor;

(l) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect;

(m) Any damage caused by soil movement, settlement or lumber shrinkage;

(n) Any damage which the Unit Owner has not taken timely action to minimize;

(o) Normal wear and tear and normal deterioration;

(p) Insect damage;

(q) Bodily injury or damage to personal property;

(r) Failure of the Sponsor to complete construction of the Unit;

(s) Loss or damage which arises while the Unit is being used primarily for nonresidential purposes;

(t) Loss or damage due to abnormal loading on floors by the Unit Owner which exceeds design loads as mandated by the Building Code;

(u) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair;

(v) Consequential damages (except where required by state law);

(w) Any claim not filed in a manner set forth below in paragraph 8, "Claims Procedures".

7. Warranty.

If a defect occurs in an item covered by this Limited Warranty, the Sponsor will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Sponsor's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Sponsor.

In no event will the Sponsor's total liability for deficiencies under this Limited Warranty exceed the Sponsor's limit of total liability, which is the purchase price of the Condominium Unit.

Repair, replacement or payment of reasonable cost for any major structural defect is further limited to (i) the repair of damage to the load-bearing portions of the themselves which is necessary to restore their load-bearing function, and (ii) the repair of those items of the Unit damaged by the major structural defect which made the Unit unsafe, unsanitary or otherwise unlivable.

When the Sponsor 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 and delivered to the Sponsor.

8. Claims Procedures.

(a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Sponsor, identified on page 1, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Sponsor by that deadline, the Sponsor will have no duty to respond to any complaint or demand, and any or all claims may be rejected. **NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.**

(b) No steps taken by the Sponsor, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Sponsor's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Sponsor, including but not limited to the Sponsor'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, Sponsor and the Sponsor's agents will have the right to inspect and test the portion of the Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Unit must provide reasonable access to the Sponsor and the Sponsor's agents during normal business hours to complete inspection, testing and repair or replacement.

(d) The Sponsor will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Sponsor will determine whether to accept or reject the claim. If the Sponsor rejects the claim, the Sponsor will give written notice of that decision to the claimant at the address shown on the Notice of Claim Form. If the Sponsor accepts the claim, the Sponsor will take corrective action within a reasonable time under the circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Sponsor will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, Acts of God, availability of materials, and other events beyond the Sponsor's control.

9. 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 Sponsor in any Court or forum unless notice of the claim or cause of action has been received by the Sponsor in a timely and properly completed Notice of Warranty Claim Form as provided in paragraph 8 above and Sponsor has had an opportunity to inspect and test the alleged problem as provided in paragraph 7 and 8 above.

(b) No suit, action and proceeding against the Sponsor under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under paragraph 5 of this Limited Warranty, or (ii) sixty calendar days after the Warrantor has given written notice of rejection of claim or completion of corrective action as provided in clause 8(d) above.

10. 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 Sponsor and the Purchaser.

(c) Should any term, provision or condition contained in this Limited Warranty be deemed unenforceable by a court of competent jurisdiction in any given circumstance, such determination will not affect the enforceability of such term provision or condition in any other circumstance and will not affect the enforceability of the remaining terms, provisions and conditions which shall be given full force and effect in all circumstances.

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

(e) This Limited Warranty is to be governed by and in accordance with the laws of the State of New York.

SPONSOR / SPONSOR:

368 Dev LLC
a New York limited liability company
Sponsor

By: _____

Name: _____
Title: Authorized Signatory

PURCHASER:

_____
signature
[Print Name]_____

PURCHASER:

_____
signature
[Print Name]_____

KK. NOTICE OF WARRANTY CLAIM FORM

INSTRUCTIONS TO COMPLETE
NOTICE OF WARRANTY CLAIM FORM

To ask the Sponsor to correct a defect in your Condominium Unit that you think is covered by the Sponsor's Limited Warranty, you must complete this form and deliver it to the Sponsor. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Sponsor is aware of the problem, fill out this form and deliver it to the Sponsor. Do not leave any item blank.

Notice of Warranty Claim Form

Your Name: _____

Mailing Address: 368 & 372 92nd Street,
Brooklyn, New York,
Unit No. _____

Phone: _____

Warranty Date: _____

The following is a / are defect(s) which I believe 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):

_____

_____

I FIRST OCCUPIED THE CONDOMINIUM UNIT ON _____ ___, 202__.

I closed title to the Condominium Unit on _____ ___, 202__.

I understand that this form must be completed and signed by the Unit Owner and sent to the warrantor at its address on the first page of the warranty by Certified Mail R.R.R. or by Registered Mail.

_____ __ _____
(Signature) (Date)

_____ _____
(Signature) (Date)

PERFORMANCE STANDARDS

SITE WORK
Coverage 1st Year Only, Workmanship and Materials

1-0-1 Observation: The ground has settled around the foundation, over utility trenches, or in other areas.

Performance Guideline: Settling of ground around foundation walls, over utility trenches, or in other filled areas shall not interfere with water drainage away from the home.

Corrective Measure: If the contractor provided final grading, upon request by the owner, one time only the contractor will fill areas that settle more than 6 inches and that affect proper drainage. The owner will be responsible for removal and replacement of shrubs, grass, other landscaping, pavement, sidewalks, or other improvements affected by placement of such fill.

1-0-2 Observation: The site does not drain properly.

Performance Guideline: The necessary grades and swales shall have been established by the contractor to ensure proper drainage away from the home. Standing or ponding water shall not remain for extended periods in the immediate area of the house after a rain (generally no more than 24 hours), except in swales that drain other areas or in areas where sump pumps discharge. In these areas a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated by the owner. No grading determination shall be made while frost or snow is on the ground or while the ground is saturated or before any lawn or Plantings are established.

Corrective Measure: The contractor is responsible only for initially establishing the proper grades and swales. The owner is responsible for maintaining such grades and swales once they have been properly established by the contractor.

Discussion: Grass and other landscaping are integral components of the storm water management practice needed to minimize erosion from the site. It is the owner's responsibility to maintain such grass and other landscaping to help ensure proper functioning of the site drainage system. The owner is responsible for maintaining such grades and swales once the contractor has properly established them. If a homeowner, their landscaper or another subcontractor changes the contractor grades or if they create impediments to the original drainage scheme, such as walkways, patios, decks, etc., the contractor is no longer responsible for proper drainage in the areas so affected.

1-0-3. Observation: The site has soil erosion.

Performance Guideline: The contractor shall grade the disturbed areas of the property in accordance with municipal requirements. Contractor is not responsible for soil erosion due to acts of God, or other conditions beyond the contractor’s control.

Corrective Measure: No action required. The contractor is not responsible for erosion due to acts of God, site alterations by the owner, lack of maintenance by the owner, or other conditions beyond the contractor's control.

1-0-4 Observation: Water from a nearby or adjacent property flows onto the owner's Lot.

Performance Guideline: The contractor is responsible for providing a means of draining water (rain, melting snow or ice) that originates from the Lot he is working on (1-0-2). The contractor is not responsible for water flowing from a nearby or adjacent property that he does not own or control, onto the disturbed portions of the owner’s Lot. The contractor is obliged only to make a reasonable effort in accordance with the municipal requirements to control water flowing from another Lot that he does not own or control or on which no dwelling has been erected by providing proper slopes around the newly erected dwelling.

Corrective Measure: It is the contractor's responsibility to control water only in the area immediately surrounding a new dwelling and in the areas he has disturbed.

1-0-5 Observation: Existing trees, shrubs, or other vegetation are damaged in the course of construction.
Performance Guideline: The contractor is only required to make a reasonable and cost effective effort to preserve and protect existing trees, shrubs, other vegetation and landscaping, if any, that he is trying to save. No attempted savings are guaranteed.

Corrective Measure: No contractor action is needed.

Foundation and Slabs - Coverage 1st Year Only
Workmanship and Materials

General

2-1-1 Observation: The foundation is out of square.

Performance Guideline: As measured at the top of the foundation wall, the diagonal of a triangle with sides of 12 feet and 16 feet shall be no more than 1 inch more or less than 20 feet. Remodeling Specific: A contractor and owner may agree to build an addition out of square in order to keep a new exterior wall on line with an existing wall of an out-of-square house.

Corrective Measure: The contractor will make necessary modifications to the foundation to comply with the performance guidelines for squareness to provide a satisfactory appearance. The contractor may square the first-floor deck or walls by cantilevering over the foundation or locating the deck or walls inset from the outside face of the foundation.

Discussion: Squareness is primarily an aesthetic consideration. The corrective measure emphasizes the primarily aesthetic nature of squareness and makes the criterion for correction "a satisfactory appearance." This allows the contractor to make either a structural change or some cosmetic modification as most appropriate. There are many instances in which the squareness of a foundation is not of consequence because subsequent construction provides an opportunity to make corrections.

2-1-2 Observation: The foundation is not level.

Performance Guideline: This guideline applies only when the levelness of the foundation adversely impacts subsequent construction. As measured at the top of the foundation wall, no point shall be more than 1/2 inch higher or lower than any point within 20 feet. Remodeling Specific: The contractor and the owner may agree to build an addition out of level in order to keep the floor of an addition on the same Plane, and the roof ridge on the same line, as those of an existing, out-of-level structure.

Corrective Measure: The contractor will make necessary modifications to any part of the foundation or to subsequent construction to meet the performance guideline for levelness. This can be affected by leveling the sills with shims, mortar, appropriate fillers, or other methods.

Discussion: There are many instances in which the levelness of a foundation is not of consequence because subsequent construction provides an opportunity to make corrections.

Interior Concrete Slab

2-2-1 Observation: There is a crack in a concrete footing.

Performance Guideline: Cracks greater than 1/4-inch in width are considered unacceptable.

Corrective Measure: The contractor shall repair any cracks in excess of the performance guideline.

2-2-2 Observation: A concrete slab within the structure has separated or moved at control (expansion and contraction) joints.

Performance Guideline: Concrete slabs within the structure are designed to move at control joints.

Corrective Measure: Because this is normal, no corrective action is required.

2-2-3 Observation: Efflorescence is present on the surface of the basement floor.

Performance Guideline: This is a typical condition caused by moisture reacting with the soluble salts in concrete and forming harmless carbonate compounds.

Corrective Measure: Because efflorescence is a typical chemical reaction within concrete, no corrective measures are required of the contractor.

Discussion: Efflorescence is evidenced by the presence of a white film on the surface of the concrete. It is a particularly common occurrence where masonry or concrete are in contact with high moisture levels as may be found in basements.

2-2-4 Observation: Concrete floor or slab is uneven.

Performance Guideline: Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 3/8 inch in 32 inches.

Corrective Measure: The contractor will correct or repair the floor to meet the performance guideline. Proper repair can be affected by thoroughly cleaning, filling, and troweling the surface level using a latex-fortified cement mixture or other materials designed to fill cracks and bond with concrete.

2-2-5 Observation: The concrete floor slab is cracked.

Performance Guideline: Minor cracks in concrete floor slabs are normal. Cracks exceeding 3/16-inch in width or 1/8-inch in vertical displacement shall be repaired if the slab is in conditioned space or basements or the crack interferes with the installation of finish flooring which is part of the contractor's responsibility.

Corrective Measure: The contractor will repair cracks that do not meet the performance guideline.

Discussion: Repairs can be made by using a material designed to fill cracks in concrete.

2-2-6 Observation: Interior concrete work is pitting or spalling. Pitting is evidenced by concrete that has flaked or peeled from the outer surface. Spalling is evidenced by concrete that has chipped.

Performance Guideline: Interior concrete surfaces shall not pit, spall or disintegrate. Aggregate pops are normal; minor scaling is not controllable. Exterior surfaces may not be warranted.

Corrective Measure: The contractor will repair defective concrete surfaces using materials designed for this purpose. The contractor is not responsible for deterioration caused by salt, chemicals, mechanical implements, or other factors beyond the contractor's control on interior or exterior concrete surfaces.

2-2-7 Observation: The interior concrete slab has a loose or sandy surface.

Performance Guideline: The surface shall not be so loose or sandy that is shows obvious deterioration.

Corrective Measure: The contractor will repair defective concrete surfaces using materials designed for this purpose. The contractor is not responsible for deterioration caused by salt, chemicals, mechanical implements, or other factors beyond the contractor's control on interior or exterior surfaces.

Concrete Block Foundation Walls

2-3-1 Observation: A concrete Block foundation wall is cracked.

Performance Guideline: Cracks in concrete Block foundation walls shall not exceed 1/4-inch in width.

Corrective Measure: The contractor will repair cracks to meet the performance guideline.

Discussion: Shrinkage cracks are common in concrete Block masonry and should be expected in crawl space and basements walls. Cracks may be vertical, diagonal, horizontal, or stepped-in masonry joints. Repairs can be made by using a material designed to fill cracks in concrete.

2-3-2 Observation: A concrete Block wall is out of plumb or bowed.

Performance Guideline: Concrete Block walls shall not be out of plumb greater than 1 inch in 8 feet when measured from the base to the top of the wall or bowed more than 1 inch in 20 feet when measured horizontally. Remodeling Specific: If tying into an existing foundation that is out of plum, the contractor and owner will review the existing conditions and scope of work. The contractor will make a reasonable and cost-effective effort to meet the performance guideline while complying with the existing building code.

Corrective Measure: The contractor shall repair any deficiencies in excess of the performance guideline. If the wall is to remain unfinished per contract, and the wall meets building codes as evidenced by passed inspections, then no corrective action is required.

Poured Concrete Foundation Walls

2-4-1 Observation: A poured concrete foundation wall is out of plumb or bowed.

Performance Guideline: Poured concrete walls shall not be out of plumb greater than 1 inch in 8 feet when measured vertically or bow more that 1 inch in 20 feet when measured horizontally. Remodeling Specific: If tying into an existing foundation that is out of plumb or bowed, the contractor and owner will review the existing conditions and scope of work. The contractor will make a reasonable and cost-effective effort to meet the performance guideline while complying with the existing building code.

Corrective Measure: The contractor shall repair any deficiencies in excess of the performance guideline. If the wall is to remain unfinished per contract, and the wall meets building codes as evidenced by passed inspections, then no corrective action is required.

2-4-2 Observation: An exposed concrete wall has pits, surface voids, or similar imperfections in it.

Performance Guideline: Surface imperfections larger than 1 inch in diameter or 1 inch in depth are considered unacceptable.

Corrective Measure: The contractor will repair holes that do not meet the performance guideline.

Discussion: Proper repair can be affected by thoroughly filling the holes and voids in concrete surfaces. The repaired area will not match the color of the surrounding area.

2-4-3 Observation: The basement wall is cracked (horizontal or vertical separation).

Performance Guideline: Cracks in basement walls shall not allow exterior water to leak into the basement. Shrinkage cracks (cracking caused by external or internal restraints as reduction in moisture content develops) are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.

Corrective Measure: The contractor will repair cracks that do not meet the performance guideline when leaks are present or if cracks exceed 1/8 inch in width.

Discussion: Shrinkage cracks are not unusual and are inherent in the drying process. They should be expected in basement walls due to the nature of concrete. Cracks may be vertical, diagonal or horizontal. The only cracks considered under warranty claims are cracks, which permit water penetration or those that exceed 1/8-inch in width.

2-4-4 Observation: A cold joint is visible on exposed poured concrete foundation walls.

Performance Guideline: A cold joint is a visible joint that indicates where the pour terminated and continued. Cold joints are normal and should be expected to be visible. Cold joints should not be an actual separation or a crack that exceeds 1/4-inch in width.

Corrective Measure: The contractor will cosmetically repair any cold joint that exceeds 1/4-inch in width by parging with a material intended for that purpose.

Basement Floor and Walls

Moisture and Leaks

2-5-1. Observation: Dampness is evident on basement wall or floor.

Performance Guideline: Dampness caused by wicking through the basement walls or floor and condensation of water vapor on cool walls and floors are not the responsibility of the contractor.

Corrective Measure: None. Dampness prevention is the responsibility of the owner.

Discussion: The owner's failure to maintain a proper grade (ground level and pitch of said ground) away from the house can contribute to dampness. Condensation of humidity, which is an owner's responsibility, also contributes to dampness.

2-5-2 Observation: The basement leaks.

Performance Guideline: Leaks resulting in actual trickling of water shall be repaired. Leaks caused by landscaping improperly installed by the owner, or by the failure of the owner to maintain proper grades, are not the contractor's responsibility. Walls and floors of new construction may become damp as concrete, mortar, and other materials dry, and dampness alone is not considered a deficiency.

Corrective Measure: The contractor will take such action as necessary to correct basement leaks, except where the cause is determined to result from the owner's actions or negligence. The owner will be responsible for removal and replacement of shrubs, fences and equipment, and other landscaping if they have to be moved so that the contractor may affect the repairs.

Crawl Space

2-5-3. Observation: Flowing or trickling water appears on interior crawl space surfaces.

Performance Guideline: Crawl spaces should be graded and drained properly to prevent water from accumulating deeper than ¾ inch and larger than 9 square feet in the crawl space area. The contractor is not responsible if the exterior grading was provided by the owner or the owner failed to maintain grades established by the contractor.

Corrective Measure: **The contractor will take the necessary corrective measures to create positive flow within the crawl space to discharge to the exterior of the structure.**

2-5-4. Observation: Condensation is evident on the floor or crawl space surfaces.

Performance Guideline: Condensation in the crawl space shall not result from lack of adequate ventilation as required by code. Condensation resulting from other causes is not the responsibility of the contractor.

Corrective Measure: The contractor will ensure that ventilation meets the appropriate code requirements. Further reduction of condensation is an owner maintenance responsibility.

Discussion: Temporary conditions may cause condensation that cannot be eliminated by ventilation and or a vapor barrier because: Night air gradually cools the interior surfaces of the crawl space. In the morning, moisture picked up by sun-warmed air is carried into the crawl space and condenses on cool surfaces. At night, outside air may rapidly cool foundation walls and provide a cool surface on which moisture may condense. If the house is left unheated in the winter, the floors and walls may provide cold surfaces on which moisture in the warmer crawl space air may condense. Excessive moisture inside a heated house may hit the dew point within or on the colder bottom surface of vapor-permeable floor insulation. The condensation can be reduced by placing a vapor barrier between the insulation and the floor sheathing. If condensation must be entirely eliminated, the owner can do so by sealing and dehumidifying or heating the crawl space, or by heating and dehumidifying the houses.

Columns

2-6-1 Observation: An exposed wood column is bowed or is out of plumb.

Performance Guideline: When installed, exposed wood columns shall not be bow or be out of plumb more than 1/2-inch in 8 feet.

Corrective Measure: Exposed wood columns out of plumb in excess of 1/2-inch in 8 feet when measured vertically shall be replaced or repaired.

Discussion: Wood columns may become distorted as part of the drying process. Bows and other imperfections that develop after installation cannot be prevented or controlled by the contractor.

2-6-2 Observation: An exposed concrete column is installed bowed or out of plumb.
Performance Guideline: Exposed concrete columns shall not be installed with a bow in excess of 1 inch in 8 feet. They should not be installed out of plumb in excess of 1 inch in 8 feet.

Corrective Measure: The contractor shall repair any deficiencies in excess of the performance guideline.

2-6-3 Observation: A masonry column is out of plumb.

Performance Guideline: Masonry columns should not be constructed out of plumb in excess of 1 inch in 8 feet.

Corrective Measure: The contractor shall repair any deficiencies in excess of the performance guideline.

2-6-4 Observation: A steel column is out of plumb.

Performance Guideline: Steel columns shall not be out of plumb in excess of 3/8-inch in 8 feet when measured vertically.

Corrective Measure: The contractor shall repair any deficiencies in excess of the performance guideline.

Wood Floor Framing Floor Systems
Coverage 1st Year Only, Workmanship and Materials

Floor Systems

3-1-1 Observation: Springiness, bounce, shaking, or visible sag is present in the floor system.
Performance Guideline: All beams, joists, headers, and other structural members shall be sized and fasteners spaced, according to the National Forest Products Association span tables or local building codes.

Corrective Measure: The contractor will reinforce or modify, as necessary, any floor, wall, ceiling, or roof not meeting the performance guideline.

Discussion: Deflection may indicate insufficient stiffness in the lumber, or may reflect an aesthetic consideration independent of the strength and safety requirements of the lumber. Joists and rafters are required to meet standards for both stiffness and strength. The span tables allow, under full design loadings, a maximum deflection equal to 1/360 of the span for floor and ceiling joists (3/8 inch in 12 feet), 1/240 for rafters up to 3/12 in pitch (1/2 inch in 12 feet), and 1/180 for rafters over 3/12 in pitch (3/4 inch in 12 feet). Structural members are required to meet standards for both stiffness and strength. When an owner's preference is made known before construction, the contractor and the owner may agree upon a higher standard.

Beams, Columns, and Posts

3-2-1 Observation: An exposed wood column or post is split.

Performance Guideline: Sawn wood columns or posts shall meet the grading standard for the species used. Splits that exceed 3/8-inch in width and more than 4 inches in length at time of installation or that develop during the warranty period are considered unacceptable.

Corrective Measure: The contractor will repair or replace any beam or post that does not meet the guideline. Filling splits is acceptable to have structural members meet the guideline.

Discussion: Some characteristics of drying wood are beyond the control of the contractor and cannot be prevented. Compensation is made in span tables for the probable reduction in strength resulting from splitting caused by drying. Therefore, splitting is primarily an aesthetic concern rather than a structural problem. Checks and splits, which occur during the drying of lumber have the effect of reducing the area in the Plane of shear resistance. Consequently, laboratory data developed for shear parallel to grain are reduced substantially for design purposes in order to accommodate the probability of the occurrence of checks and splits after drying.

3-2-2 Observation: An exposed wood beam is split.

Performance Guideline: Sawn wood beams shall meet the grading standard for the species used. Splits that exceed 3/8-inch in width and 4 inches in length at time of installation or that develop during the warranty period are considered unacceptable.

Corrective Measure: The contractor will repair or replace any sawn wood beam that does not meet the guideline. Filling splits is acceptable to have structural members meet the guideline.

Discussion: Some characteristics of drying wood are beyond the control of the contractor and cannot be prevented. Compensation is made in span tables for the probable reduction in strength resulting from splitting caused by drying. Therefore, splitting is primarily an aesthetic concern rather than a structural problem. Checks and splits, which occur during the drying of lumber, have the effect of reducing the area in the Plane of shear resistance. Consequently, laboratory data developed for shear parallel to grain are reduced substantially for design purposes in order to accommodate the probability of the occurrence of checks and splits after drying.

3-2-3 Observation: An exposed wood beam or post is twisted or bowed.

Performance Guideline: Exposed wood posts and beams shall meet the grading standard for the species used. Posts and beams with bows and twists exceeding 3/4-inch in an 8-foot section shall not be installed, and those that develop bows and twists exceeding 3/4-inch in an 8-foot section are considered unacceptable.

Corrective Measure: The contractor will repair, sister, or replace any beam or post with a defect that exceeds the guideline.

Discussion: Beams and posts, especially those 3 1/2 inches or greater in thickness (which normally are not kiln dried) will sometimes twist or bow as they dry after milling or installation. Twisting or bowing is usually not a structural concern if posts and beams have been sized according to manufacturers' specifications or local building codes.

3-2-4 Observation: An exposed wood beam or post is cupped.

Performance Guideline: Cups exceeding 1/4-inch in 5-1/2 inches are considered unacceptable.

Corrective Measure: The contractor will repair, sister, or replace any beam or post with a defect that does not meet the guideline.

Discussion: Cupped lumber is lumber that has warped or cupped across the grain in a concave or convex shape. Beams and posts, especially those 3-1/2 inches or greater in thickness (which normally are not kiln dried), will sometimes cup as they dry after milling or installation.

Subfloor and Joists

3-3-1. Observation: Floor squeaks or the sub floor appears loose.

Performance Guideline: Squeaks caused by a loose sub floor are unacceptable, but totally squeak-proof floors cannot be guaranteed.

Corrective Measure: The contractor will refasten any loose sub floor or take other corrective action to eliminate squeaking to the extent possible within reasonable repair capability without removing floor and ceiling finishes.

Discussion: Floor squeaks may occur when a sub floor that has come loose from the joists is deflected by the weight of a person and rubs against the nails that hold it in place. The sub floor or joists may be bowed, and the nails also may be expelled from the wood during drying. Movement may occur between the joist and bridging or other floor members when one joist is deflected while the other members remain stationary. Gluing the sub floor is an acceptable method of code compliance in certain jurisdictions. Renailing floor joists with ring-shank nails will also substantially reduce severe floor squeaks. Because the performance guideline requires the contractor to make a reasonable attempt to eliminate squeaks without requiring removal of floor and ceiling finishes, nailing loose sub flooring with casing nails into the carpet surface and countersinking the head is an acceptable practice.

3-3-2. Observation: Sub floor is uneven.

Performance Guideline: Floors shall not have more than a ¼-inch ridge or depression within any 32-inch measurement. Allowable floor and ceiling joist deflections are governed by the local approved building codes. Measurements should not be made at imperfections that are characteristic of the code-approved material used. This guideline does not cover transition points between different materials.

Corrective Measure: The contractor will correct or repair to meet the performance guideline.

3-3-3. Observation: Sub floor is out of square.

Performance Guideline: The diagonal of a triangle with sides of 12 feet and 16 feet along the edges of the floor shall be no more than ½ inch plus or minus 20 feet. Remodeling Specific: The owner and the contractor may agree to build a wood floor out of square in order to match or otherwise compensate for pre-existing conditions.
Corrective Measure: The contractor will make the necessary modifications to any floor not complying with the performance guideline for squareness. The modification will produce a satisfactory appearance and may be either structural or cosmetic.

Discussion: Squareness is primarily an aesthetic consideration. Regularly repeated geometric patterns in floor and ceiling coverings show a gradually increasing or decreasing pattern along an out of square wall. The guideline tolerance of plus or minus ½ inch in the diagonal allows a maximum increasing or decreasing portion of about 3/8-inch in a 12-foot wall of a 12 x 16-foot room. However, a contractor and client may agree to build an addition out of

square in order to keep a new exterior wall on line with an existing wall of an out of square house. The corrective measure emphasizes the primarily aesthetic nature of squareness and makes the criteria for correction "a satisfactory appearance." This criterion allows the contractor to make either a structural change, if the defect is discovered in time, or some cosmetic change to hide the defect, if the construction is in the finishing stages when the defect is discovered.

3-3-4 Observation: A floor is out of level.

Performance Guideline: The floor should not slope more than l/2-inch in 20 feet. Crowns and other lumber characteristics that meet the standards of the applicable grading organization for the grade and species used are not defects. Allowable floor joist deflections are governed by the applicable building codes. Deflections due to overloading by the owner are not the contractor's responsibility. Remodeling Specific: The contractor and the owner may agree to build an addition out of level in order to keep the floor of an addition on the same Plane, and the roof ridge on the same line, as those of an existing, out-of-level structure, or to compensate for some other pre-existing condition.

Corrective Measure: The contractor will make a reasonable and cost-effective effort to modify the floor that does not comply with the performance guideline. Allowances should be allowed for shrinkage, cantilevers, and concentrated loads.

Discussion: Sloped floors have both an aesthetic and functional consideration. Measurements for slope should be made across the room, not in a small area.

3-3-5 Observation: Deflection is observed in a floor system constructed of wood I-joists, floor trusses, or similar products.

Performance Guideline: All wood I-joists and other manufactured structural components in the floor system and its components shall be sized and installed as provided in the manufacturers' instructions and code requirements.

Corrective Measure: The contractor will reinforce or modify as necessary any floor component not meeting the performance guideline.

Discussion: Deflection may indicate an aesthetic consideration independent of the strength and safety requirements of the product. When an owner's preference is made known before construction, a higher standard may be agreed upon in writing by the contractor and the owner.

3-3-6 Observation: Remodeling Specific: Wood flooring is not level at the transition of an existing floor to a room addition floor.

Performance Guideline: Flooring at a transition area shall not slope more than l/8-inch over 6 inches unless a threshold is added. Overall step-down, unless previously agreed upon with the owner, shall not exceed 1-1/8 inches. Variations caused by seasonal or temperature changes are not a defect.

Corrective Measure: The flooring transition shall be corrected to meet the performance guideline. The contractor may add threshold or transition material, or pull up the flooring and reduce the high spot, or if possible, shim under new framing to bring floor within guideline.

Discussion: All wood members shrink and expand seasonally, with variations in temperature and humidity, and with aging. After installation, 2x dimensional lumber can shrink up to 1/2-inch. If the flooring, sub floor, or underlayment was not purposely overlapped onto the existing floor, the resulting irregularity is not a defect, but a natural result and characteristic of the wood's aging process. The drier the house becomes, the more shrinkage may be experienced. Either the old or the new floors may slope along the floor joist span. Joists in older homes may have deflected under load. This and other conditions may cause a hump at the juncture of the old to new.

3-3-7 Observation: Remodeling Specific: The floor pitches to one side in the door opening between the existing construction and the addition.

Performance Guideline: If the pitch is the result of the floor of the existing dwelling not being level, then in most situations a transition threshold may be the most appropriate and acceptable means of addressing the condition.

Corrective Measure: The contractor will make a reasonable and cost-effective effort to meet the performance guidelines.

Walls
Coverage 1st Year Only, Workmanship and Materials

Rough Carpentry

4-1-1. Observation: Wood framed wall is out of plumb.

Performance Guideline: Wood framed walls shall not be more than 1/4-inch out of plumb for any 32 inches in any vertical measurement. Remodeling Specific: The owner and contractor may agree to intentionally build walls out of plumb to match the existing structure to accommodate or compensate for inaccuracies in the existing structure, and to disregard the performance guideline to match a pre-existing structural condition of the existing structure.

Corrective Measure: The contractor will repair to meet the performance guideline.

4-1-2 Observation: The wall is bowed.

Performance Guideline: Walls shall not bow more than l/2-inch out of line within any 32-inch horizontal measurement, or l/2-inch out of line within any 8-foot vertical measurement. Remodeling Specific: If new wall cladding is installed on existing framed walls, the owner and contractor may agree to straighten the wall as part of scope of work, to install new cladding over existing framing, and to disregard the performance guideline to match a pre-existing structural condition of the existing structure.

Corrective Measure: The contractor will repair the wall to meet the performance guideline.

Discussion: All interior and exterior walls have slight variances in their finished surface. On occasion, the underlying framing may warp, twist, or bow after installation.

4-1-3. Observation: Exterior wall leaks because of inadequate caulking or failure of the caulking material.

Performance Guideline: Joints and cracks in exterior wall surfaces and around penetrations shall be properly caulked to prevent the entry of water.

Corrective Measure: The contractor will repair or caulk joints and cracks in exterior wall surfaces, as required to correct deficiencies, one time only during the warranty period. Even when properly installed, caulking will shrink and must be maintained by the owner.

Insulation

4-2-1 Observation: Wall insulation is insufficient.

Performance Guideline: The contractor shall install insulation according to R-values designated in the contract documents or local code, as applicable. Insulation shall be installed according to locally accepted practices.

Windows, Mirrors

4-3-1 Observation: A window is difficult to open or close.

Performance Guideline: Windows should require no greater operating force than that described in the manufacturer's instructions. Remodeling Specific: The contractor is not responsible for inoperable windows not covered by the remodeling contract.

Corrective Measure: The contractor will correct or repair the window as required to meet the performance guideline.

4-3-2 Observation: Window grids (muntins) fall or become out of level.

Performance Guideline: Window grids shall not disconnect, fall, or become out of level.

Corrective Measure: Window grids will be repaired or replaced at the contractor's discretion one time only.

4-3-3 Observation: Mirror or glass surfaces are scratched.

Performance Guideline: Glass or mirror surfaces shall not have scratches visible from 10 feet under normal lighting conditions at the time of substantial completion of the project. Remodeling Specific: This guideline does not apply to existing windows unless they are part of the remodeling contract or are damaged by the contractor. The owner and contractor should examine existing windows prior to contract execution.

Corrective Measure: The contractor shall replace any scratched glass or mirror surface if noted prior to substantial completion of the project.

4-3-4. Observation: During rains, water appears on interior corner of glazed window Unit.

Performance Guideline: Water leakage from improper installation is unacceptable.

Corrective Measure: The contractor shall repair any deficiencies attributable to improper installation.

Discussion: Leakage at the glazing interface is covered under the manufacturer's warranty.

4-3-5 Observation: Window glass is broken and/or a screen is missing or damaged.

Performance Guideline: Glass should not be broken and screens should not be damaged at the time of substantial competition of the project. Screens required by the contract shall be installed.
Corrective Measure: Broken glass and/or missing or damaged screens reported to the contractor before closing will be installed or replaced. Broken glass and/or screens not reported prior to substantial completion of the project are the owner's responsibility.

4-3-6 Observation: A mirror backing is deteriorating**.**

Performance Guideline: While looking at the mirror, from 10 feet away there should be no noticeable imperfections in the mirror as a result of damage to the mirror backing at the time of substantial completion of the project.

Corrective Measure: The contractor will replace or repair the mirror.

Exterior Doors

4-4-1 Observation: An exterior door is warped.

Performance Guideline: Exterior doors shall not warp to the extent that they become inoperable or cease to be weather-resistant. A 1/4-inch tolerance as measured diagonally from corner to corner is acceptable.

Corrective Measure: The contractor will correct or replace exterior doors that do not meet the performance guideline.

Discussion: Exterior doors will warp to some degree because of the difference in the temperature between inside and outside surfaces. Warping may also be caused by improper or incomplete finishing of the door. The contractor is not responsible for warpage if painting of doors is not within contractor's scope of work.

4-4-2 Observation: Raw wood shows at the edges of inset panel on exterior door.

Performance Guideline: Wooden panels will shrink and expand because of temperature and/or humidity changes, and may expose unpainted surfaces. This does not constitute a defect.

Corrective Measure: None.

4-4-3 Observation: A wooden door panel is split.

Performance Guideline: A split in a panel shall not allow light to be visible through the door.

Corrective Measure: One time only, the contractor will repair, paint, or stain the split panel that does not meet the performance guideline. Caulking and fillers are acceptable. The repainted area may not match the remainder of the door or other doors on the house.

Discussion: Wooden inserts are loosely fitted into the door to allow the inserts to move; this minimizes splitting of the panel or other damage to the door. On occasion, a panel may become "locked" by paint or expansion of the edges with changes in temperature and humidity and no longer "float" between the rails. This may result in the panel splitting.

4-4-4 Observation: An exterior door sticks.

Performance Guideline: Exterior doors shall operate smoothly, except that doors may stick during occasional periods of high humidity or with variations in temperature.

Corrective Measure: The contractor will adjust or replace the door to meet the performance guideline.

Discussion: Exterior doors may warp or bind to some degree because of the difference in the temperature and/or humidity between inside and outside surfaces. The contractor is not responsible for warpage if painting of doors is not within the contractor's scope of work or if the door is repainted by the owner in a color other than those recommended by the door manufacture.

4-4-5 Observation: An exterior door will not shut completely.

Performance Guideline: Exterior doors shall shut completely.

Corrective Measure: The contractor will adjust or replace the door to meet the performance guideline.

Discussion: Exterior doors may warp or bind to some degree because of the difference in the temperature and/or humidity between inside and outside surfaces. The contractor is not responsible for warpage if painting of doors is not within the contractor's scope of work or if the door is repainted by the owner in a color other than those recommended by the door manufacture.

4-4-6 Observation: The plastic molding on the primary door behind the storm door melts from exposure to sunlight.

Performance Guideline: The plastic moldings behind storm doors should not melt if the storm panel is removed and reinstalled by the owner as a part of normal seasonal maintenance operations (i.e., removed in the spring and reinstalled in the fall).

Corrective Measure: No corrective action is required.

Discussion: Plastic moldings may melt or deform if the exterior door is covered by a storm door panel during a warm season, or if it faces the sun. This is not a defect of the door, but a problem caused by the trapping of heat between the storm panel and the door. The owner is also cautioned to follow the manufacturer's recommendations on painting the moldings with a dark color, with or without the use of a storm panel. Dark colors should be avoided.

4-4-7 Observation: Caulking or glazing on the primary door behind the storm door cracks or peels.

Performance Guideline: Glazing or caulking behind storm doors should not crack or peel if the storm panel is removed and installed by owner as part of seasonal maintenance operations (i.e., removed in the spring and reinstalled in the fall).

Corrective Measure: No corrective measure is required.

Discussion: High temperatures may cause glazing and caulking to harden and/or fail prematurely if the door is covered by a storm panel during a warm season or if it faces the sun. This is not a defect of the door caulking, or glazing, but a problem caused by the trapping of heat between the door and the storm panel. The owner is reminded that dark colors tend to accumulate heat and are more likely to cause problems.

4-4-8 Observation: A door swings open or closed by the force of gravity.

Performance Guideline: Exterior doors shall not swing open or closed by the force of gravity alone. Remodeling Specific: For remodeling projects, this guideline does not apply where a new door is installed in an existing wall that is out of plumb.

Corrective Measure: The contractor will adjust the door to prevent it from swinging open or closed by the force of gravity.

4-4-9 Observation: Gaps are visible around an exterior door edge, doorjamb, and/or threshold.

Performance Guideline: Gaps between adjacent components shall not vary by more than 3/16-inch. Remodeling Specific: This applies unless the existing building is out of square or plumb.

Corrective Measure: The contractor will repair the existing Unit to meet performance guideline.

Discussion: Doors must have gaps at their perimeter to accommodate expansion/contraction due to variations in temperature and/or humidity and to enable the door to operate over a wide range of environmental conditions.

4-4-10 Observation: Exterior door hardware or kick plate has tarnished.

Performance Guideline: Finishes on door hardware or kick plates installed by the contractor are covered by the manufacturer's warranty.

Corrective Measure: The owner should contact the manufacturer.

4-4-11. Observation: Sliding patio door or screen will not stay on track.

Performance Guideline: Sliding patio doors and screens shall slide properly on their tracks at the time the job is accepted. The use, cleaning and maintenance necessary to preserve proper operation are an owner responsibility.

Corrective Measure: The contractor shall repair once during the warranty period.

Discussion: Proper operation should be verified by the owner and the contractor at the time the job is accepted.

4-4-12. Observation: Sliding patio door does not roll smoothly.

Performance Guideline: Sliding patio doors shall roll smoothly at the time the job is accepted. The use, cleaning and maintenance necessary to preserve proper operation are an owner responsibility.

Corrective Measure: The contractor shall repair once during the warranty period.

Discussion: Proper operation should be verified by the owner and the contractor at the time the job is accepted.

4-4-13 Observation: A doorknob, deadbolt, or lockset does not operate smoothly.

Performance Guideline: A doorknob, deadbolt, or lockset should not stick or bind during operation.

Corrective Measure: One time only during the warranty period, the contractor will adjust, repair, or replace knobs that are not damaged by abuse.

Exterior Finish

Wood and Manufactured Siding

4-5-1 Observation: Siding is bowed.

Performance Guideline: Bows exceeding 1/2-inch in 32 inches are considered unacceptable. Remodeling Specific: If new wall covering is installed on existing framed walls, the owner and contractor may agree to straighten out the walls as part of the scope of work. Alternatively, the parties may agree to install new wall covering over existing framing and disregard the performance guideline to match a pre-existing structural condition of the existing structure.

Corrective Measure: The contractor will replace any wood or manufactured lap siding with bows that does not meet the performance guideline, and will finish the replacement siding to match the existing siding as closely as practical.

Discussion: If the siding is fastened by nails driven into studs, expansion caused by changing relative temperatures and/or humidity may cause bulges or waves. Even with proper installation, siding will tend to bow inward and outward in adjacent stud spaces.

4-5-2 Observation: An edge or gap is visible between adjacent pieces of siding or siding panels and other materials.

Performance Guideline: Gaps wider than 3/16-inch or in excess of the manufacture's standard are considered unacceptable. This guideline does not apply to adjacent pieces or panels that have shiplap or similar joints.

Corrective Measure: The contractor will repair gaps that do not meet the performance guideline.

Discussion: Proper repair can be affected by providing joint covers or by caulking the gap. This is important if the gaps were intentionally made for expansion joints. If the siding is painted, the contractor will paint the new caulking to match the existing caulking as closely as practical, but an exact match cannot be ensured.

4-5-3 Observation: Lap siding is not parallel with the course above or below.

Performance Guideline: A piece of lap siding may not be more than l/2 inch off parallel with contiguous courses in any 20-foot measurement, unless the owner and the contractor have previously agreed to disregard the performance guideline to match a pre-existing condition. Remodeling Specific: The owner and contractor may agree to install siding to match existing conditions on existing structure and to disregard the performance guideline for this item.

Corrective Measure: The contractor will reinstall siding to meet the performance guideline for straightness, and will replace with new siding any siding damaged during removal.

Discussion: For remodeling projects, if the contractor and the owner have agreed that the floor of an addition is to be on a different Plane from an existing floor (e.g., out of level), the siding on the addition may not be parallel and in line with the existing siding.

4-5-4 Observation: Face nails are driven below the surface of the hardboard siding.

Performance Guideline: Siding nails should not be driven below the surface of hardboard siding such that visible fiber of the siding is exposed.

Corrective Measure: The contractor shall repair as necessary to meet performance guideline. The following repairs are appropriate in most instances: If visible fiber of hardboard siding is exposed, paint surface to coat fiber. If nail is 1/16 to 1/8-inch below the surface, fill or caulk and touch-up paint. If nail is more than 1/8-inch below the surface, fill or caulk and add an additional nail flush to the surface.

Tongue and Groove Wood Siding

4-5-5 Observation: Siding Boards have buckled.

Performance Guideline: Boards that project more than 3/16-inch from the face of adjacent Boards are considered unacceptable.

Corrective Measure: The contractor will repair or replace any Boards that don't meet the performance guideline.

Discussion: Buckling is caused by wood expanding as a result of increased temperature and/or relative humidity. It can be minimized by leaving space between the tongues and grooves to allow room for expansion and by storing the product outside for a few days to allow it to adjust to the ambient conditions prior to installation.

Wood Shake Siding

4-5-6 Observation: Cedar shakes or shingles have "bled" through paint or stain applied by contractor.

Performance Guideline: Resins and extractives bleeding through paint or stain, or blackening of shakes or shingles are unacceptable. This performance guideline does not apply if “natural weathering” or semi-transparent stain, or other similar products, are specified for the job.

Corrective Measure: One time during the warranty period the contractor will clean and treat shakes to provide a reasonable appearance and prevent further bleeding.

Plywood or Other Veneer Siding

4-5-7 Observation: Siding has delaminated (layers have separated from one another).

Performance Guideline: Siding shall not delaminate.

Corrective Measure: The contractor will replace delaminated siding that is not covered under manufacturer’s warranty, unless the delaminating was caused by the owner’s actions or negligence. The repaired area may not precisely match the original siding.

4-5-8 Observation: Joints between sidings have separated.

Performance Guideline: Joint separations exceeding 3/16-inch are considered unacceptable.

Corrective Measure: The contractor will caulk or repair siding as necessary to fill the joint. The repaired area may not match the original siding precisely.

Discussion: Plywood siding, like all wood products, will expand and contract with changes in temperature and/or humidity.

4-5-9 Observation: Siding is bowed.

Performance Guideline: Bows exceeding 1/2-inch in 32 inches are unacceptable.

Corrective Measure: The contractor will install additional nails in siding to meet acceptable nailing schedules and will replace any siding that does not meet the guideline because of bows.

Discussion: Some waviness in siding is to be expected because of bows in studs. However, proper nailing of siding will straighten most bows.

Aluminum or Vinyl Lap Siding

4-5-10 Observation: Aluminum or vinyl siding is bowed or wavy.

Performance Guideline: Some waviness in aluminum or vinyl lap siding is to be expected because of bows in studs. Waves or similar distortions in aluminum or vinyl lap siding are considered unacceptable if they exceed 1/2- inch in 32 inches.

Corrective Measure: The contractor will correct any waves or distortions to comply with the performance guideline by reinstalling or replacing siding as necessary.

Discussion: This problem is often caused by the siding being nailed too tightly to the house instead of loosely "hung" in the center of the nail slots, or by not allowing adequate room for the siding to expand at the ends.

4-5-11 Observation: Siding color is faded.

Performance Guideline: Any color siding, when exposed to the ultra-violet rays of the sun, will fade and this condition cannot be prevented by the contractor.
Corrective Measure: The owner should contact the siding manufacturer.

Discussion: Color warranties are provided by the siding manufacturer. The owner should contact the manufacturer with questions or claims regarding changes in color of vinyl or aluminum siding. Color and fade imperfections beyond an expected degree may be covered by the manufacturer's warranty, except where siding is shaded differently from the rest of the wall, such as under shutters or behind vegetation.

4-5-12 Observation: Aluminum or vinyl lap siding trim is loose from house.

Performance Guideline: Trim shall not separate more than ¼-inch from the house.

Corrective Measure: The contractor will reinstall trim or repair separations as necessary to comply with the performance guideline.

4-5-13 Observation: Aluminum or vinyl lap siding courses are not parallel with eaves (the horizontal edge at the low side of a sloping roof) or wall openings.

Performance Guideline: Any piece of aluminum or vinyl lap siding more than ½-inch off parallel in 20 feet with contiguous courses, or contiguous break such as a soffit line, is unacceptable. Remodeling Specific: The owner and contractor may agree to disregard the performance guideline to match a pre-existing structural condition.
Corrective Measure: The contractor will reinstall siding to comply with the performance guideline and replace any siding damaged during removal with new siding.

Discussion: Remodeling Specific: If the contractor and the owner agree that the floor of an addition is to be on a different Plane from the existing floor (for example, a pre-existing out of level condition), the siding on the addition may not be parallel and in line with existing siding.

4-5-14 Observation: Aluminum or vinyl lap siding nail shows under window, door, or eave.

Performance Guideline: All facing nails shall be of a color to match the trim they affix. No nail heads in the field of the siding shall be exposed.

Corrective Measure: The contractor will install trim as necessary to cover the nails.

Discussion: Vinyl siding generally should not be face nailed. However, there are appropriate and typical occasions when a single face nail may be needed to reinforce a joint or hold the siding to the wall when it is cut to fit around window frames, doors, roofs, or other obstructions on the wall. In most cases (the only exception would be the top piece on a gable end), vinyl siding should never need to be face nailed when proper accessory products are used. For example, under a window application the trim (J- channel) can be utilized in conjunction with utility trim and snap-punching the top of the modified vinyl siding. If face nailing is the only option, a 1/8-inch diameter hole should be pre-drilled to allow for expansion and contraction.

4-5-15 Observation: Aluminum or vinyl lap siding trim accessory is loose from caulking at windows or other wall openings.

Performance Guideline: Siding trim accessories shall not separate from caulking at windows or other wall openings during the warranty period.

Corrective Measure: The contractor will repair or recaulk as necessary once during the warranty period to eliminate the separation.

4-5-16 Observation: Aluminum or vinyl lap siding is cut crooked.

Performance Guideline: Visible cuts in siding shall be straight, plumb, and neat. Crooked cuts greater than 1/8-inch from true are not acceptable. Remodeling Specific: The owner and contractor may agree to install siding to match conditions on the existing structure and to disregard the performance guideline for this item.

Corrective Measure: The contractor will repair or replace siding, which has visible crooked cuts.

Discussion: Cut edges of vinyl siding should never be visible when proper trim and accessories are used.

4-5-17 Observation: Aluminum or vinyl lap siding is not correctly spaced from moldings.

Performance Guideline: Prescribed spacing between siding and accessory trim is typically 1/4-inch, or should comply with the manufacturer's installation instructions. Remodeling Specific: The owner and contractor may agree to install siding to match conditions on existing structure and to disregard the performance guideline for this item.

Corrective Measure: The contractor will correct to meet the guideline.

Masonry Cement and Veneer Board Siding

4-5-18 Observation: Cement Board siding is cracked or chipped.

Performance Guideline: A cement product, this siding is susceptible to the same characteristic limitations as other cement products. Cracks more than 2 inches in length and 1/8-inch in width are considered unacceptable. Chips or dents not reported at time of substantial completion of the project are not covered.

Corrective Measure: Cracked or chipped cement Board will be repaired or replaced as necessary, as determined by the contractor.

4-5-19 Observation: Cement Board siding is improperly fastened.

Performance Guideline: Siding shall be nailed flush and perpendicular per the manufacturer's instructions. Staples shall not be used.

Corrective Measure: Overdriven nail heads or nails driven at an angle shall be filled with cementitious patching compound to match the existing area as closely as possible.

Discussion: The manufacturer's instructions include guidelines to reduce chipping or cracking of siding.

4-5-20 Observation: Masonry or veneer wall is cracked.

Performance Guideline: Cracks visible from distances in excess of 20 feet or larger than 1/4-inch in width are not acceptable.

Corrective Measure: The contractor will repair cracks in excess of the performance guideline by tuck pointing (removing deteriorated mortar from the surface of the existing wall, and inserting fresh mortar), patching, or painting. The contractor will not be responsible for color variations between original and new mortar.

Discussion: Small hairline cracks resulting from shrinkage are common in mortar (a substance used to join masonry Units, consisting of cementitious materials, fine aggregate and water) joints in masonry construction.

4-5-21. Observation: Exterior cut bricks (less than full) are of different thickness below openings.

Performance Guideline: Cut bricks used in the course directly below an opening shall not vary from one another in thickness by more than ¼-inch. The smallest dimension of a cut brick should be greater than 1 inch.

Corrective Measure: The contractor will repair the wall to meet the performance guideline.
Discussion: Bricks are cut to achieve required dimensions at openings and ends of walls when it is not possible to match Unit/mortar coursing.

4-5-22 Observation: A masonry or brick veneer course is not straight.

Performance Guideline: No point along the bottom of any course shall be more than 1/4-inch higher or lower than any other point within 10 feet along the bottom of the same course, or 1/2-inch in any length. Remodeling Specific: The owner and contractor may agree to install brick veneer to match conditions on the existing structure and to disregard the performance guideline for this item.

Corrective Measure: The contractor will rebuild the wall as necessary to meet the performance guideline.

Discussion: Dimensional variations of the courses depend upon the variations in the brick selected.

4-5-23 Observation: Brick veneer is spalling.

Performance Guideline: Spalling of newly manufactured brick should not occur and is considered unacceptable. Spalling of used brick is acceptable.

Corrective Measure: The contractor will repair or replace newly manufactured bricks that have spalled. An exact match of brick and mortar cannot be assured.

4-5-24 Observation: Mortar stains are observed on exterior brick or stone.
Performance Guideline: Exterior brick and stone shall be free from mortar stains detracting from the appearance of the finished wall when viewed from a distance of 20 feet.

Corrective Measure: The contractor will clean the mortar stains to meet the performance guideline.

4-5-25 Observation: Efflorescence is present on the surface of masonry or mortar.

Performance Guideline: This is a common condition caused by moisture reacting with the soluble salts in the mortar.

Corrective Measure: No corrective actions are required of the contractor.

Discussion: Efflorescence is evidenced by the presence of a white film on the surface of masonry or mortar. It is a particularly common occurrence where masonry or concrete are in contact with high moisture levels as may be found in basements.

4-5-26 Observation: An exterior stucco wall surface is cracked.

Performance Guideline: Cracks in exterior stucco wall surfaces shall not exceed l/8-inch in width.

Corrective Measure: One time only, the contractor will repair cracks exceeding l/8-inch in width. Caulking and touch-up painting are acceptable. An exact color or texture match may not be unattainable.

Discussion: "Stucco" includes cementitious coatings and similar synthetically based finishes.

4-5-27 Observation: The colors of exterior stucco walls do not match.

Performance Guideline: The colors of new exterior stucco walls may not perfectly match the colors of old exterior stucco walls, nor is it expected that exact matches will be attained for the same material that is applied on different days or under differing environ-mental conditions (e.g., temperature, humidity, etc.).

Corrective Measure: No corrective measure is required. Because of the unique nature of stucco finishes, exact match of color may not be possible.

Discussion: Coloring of stucco is affected by a number of variables. It is impractical to achieve a color match between stucco coatings applied at different times.

4-5-28 Observation: The textures of exterior stucco wall finishes do not match.

Performance Guideline: Texture of new exterior stucco walls applied at different times may not perfectly match the textures of old exterior stucco walls. Remodeling Specific: The texture of new exterior stucco walls may not perfectly match the textures of old exterior stucco walls.

Corrective Measure: No corrective measure is required. Because of the unique nature of stucco finishes, exact match of texture finish may not be possible.

Discussion: "Stucco" includes cementitious coatings and similar synthetically based finishes. Approved samples prior to installation can minimize misunderstandings about color and texture.

4-5-29 Observation: Separation of coating from base on exterior stucco wall.

Performance Guideline: The coating shall not separate from the base on an exterior stucco wall during the warranty period.

Corrective Measure: The contractor will repair areas where the coating has separated from the base.

4-5-30 Observation: Lath is visible through stucco.

Performance Guideline: Lath should not be visible through stucco, nor should the lath protrude through any portion of the stucco surface.

Corrective Measure: The contractor will make necessary corrections so that lath is not visible. The finish colors may not match.

4-5-31 Observation: Rust marks are observed on the stucco finish coat.

Performance Guideline: Rust marks on the stucco surface are considered unacceptable if more than 5 marks measuring more than 1 inch long occur per 100 square feet.

Corrective Measure: The contractor may repair or replace affected subsurface components, or seal the rusted areas and recolor the wall.

4-5-32 Observation: There is water damage to interior walls as a result of a leak in the stucco wall system.

Performance Guideline: Stucco walls should be constructed and flashed to prevent water penetration to the interior of the structure under normal weather and water conditions. Damage to the stucco system caused by external factors out of the contractor's control that result in water penetration is not the contractor's responsibility.

Corrective Measure: If water penetration is the result of a system failure and doesn't result from external factors, the contractor will make necessary repairs to prevent water penetration through the stucco wall system.

Discussion: Water penetration resulting from abnormal external factors, such as windblown moisture or sprinkler systems, are not the contractor's responsibility.

Exterior Trim

4-6-1. Observation: Gaps show in exterior trim.

Performance Guideline: Joints between exterior trim elements, including siding and masonry, shall not result in joints opened wider than ¼-inch. In all cases the exterior trim shall perform its function of excluding the elements.

Corrective Measure: The contractor will repair open joints that do not meet the performance guideline. Caulking is acceptable.

4-6-2 Observation: Exterior trim Board is split.

Performance Guideline: Splits wider than l/8-inch are considered unacceptable.

Corrective Measure: The contractor will repair splits by filling with a durable filler. Touch-up painting may not match the surrounding area.

4-6-3 Observation: Exterior trim Board is bowed or twisted.

Performance Guideline: Bows and twists exceeding 3/8-inch in 8 feet are considered unacceptable.

Corrective Measure: The contractor will repair defects that do not meet the performance guideline by refastening or replacing deformed Boards. Touch-up painting may not match the surrounding area.

4-6-4 Observation: Exterior trim Board is cupped.

Performance Guideline: Cups exceeding 3/l6-inch in 5 1/2 inches are considered unacceptable.

Corrective Measure: The contractor will repair defects that do not meet the performance guideline by refastening or replacing deformed Boards. Touch-up painting may not match the surrounding area.

Paint, Stain, and Varnish

4-7-1 Observation: Exterior painting, staining, or refinishing is required because of repair work.

Performance Guideline: Repairs required under these performance guidelines shall be finished to match the immediate surrounding areas as closely as practical.

Corrective Measure: The contractor will finish repaired areas as indicated.

Discussion: Touch-up painting, staining, or refinishing may not match the surrounding area.

4-7-2 Observation: Exterior paint or stain has peeled, flaked, or physically deteriorated.

Performance Guideline: Exterior paints and stains shall not fail during the warranty period.

Corrective Measure: If exterior paint or stain has peeled, developed an alligator pattern, or blistered, the contractor will properly prepare and refinish affected areas and match the color as closely as practical. Where deterioration of the finish affects more than 50 percent of the piece of trim or wall area, the contractor will refinish the entire wall.

4-7-3 Observation: Exterior paint or stain has faded.
Performance Guideline: Fading of exterior paints and stains is common. The degree of fading depends on environmental conditions.
Corrective Measure: Because fading is a common occurrence in paint and stains, no corrective action is required.

4-7-4 Observation: Varnish or lacquer finishes have deteriorated.

Performance Guideline: Clear finishes used on exterior surfaces may deteriorate rapidly. This is beyond the contractor's control.

Corrective Measure: Heat and sunlight can cause rapid deterioration of clear finishes. Maintenance is the owner's responsibility. No corrective action is required of the contractor.

4-7-5 Observation: There is paint or stain overspray on surfaces not intended for paint or stain.

Performance Guideline: Paint or stain overspray on surfaces not intended for paint or stain that is visible at a distance of 6 feet under normal natural lighting conditions is not acceptable.

Corrective Measure: The contractor shall clean affected surfaces without damaging the surface.

4-7-6 Observation: Cabinet stain is uneven. Cabinet paint is not uniform or is mismatched.

Performance Guideline: Uneven stain color on wood cabinets is considered acceptable and is a result of the natural wood grain. Painted cabinets should appear uniform under normal lighting conditions at a distance of 6 feet.
Corrective Measure: The contractor will repaint or replace painted cabinets that do not meet the performance guideline.

4-7-7 Observation: Mildew or fungus is visible on exterior painted surfaces.

Performance Guideline: Painted or finished surfaces shall be free of observable mildew and fungus at the time of substantial completion of the job. However, mildew or fungus may form on painted surfaces over time because of warmth and moisture.

Corrective Measure: The contractor will remove mildew and fungus before substantial completion of the job. Subsequent mildew or fungus formation is a condition the contractor cannot control. The owner is responsible for future cleaning of the painted item as necessary to prevent or remove mildew and fungus.

ROOFS
Coverage 1st Year Only, Workmanship and Materials

5-1-1 Observation: The roof ridge beam has deflected.

Performance Guideline: Roof ridge beam deflection greater than 1 inch in 8 feet is considered unacceptable. Remodeling Specific: If this is not in the scope of work, the guideline will be disregarded.

Corrective Measure: The contractor shall repair affected ridge beams that do not meet the performance guideline.

5-1-2 Observation: A rafter or ceiling joist bows (up or down).

Performance Guideline: Bows greater than 1 inch in 8 feet are unacceptable. Remodeling Specific: If this is not in the scope of work, the guideline will be disregarded.

Corrective Measure: The contractor shall repair affected rafters or joists that bow in excess of the performance guideline.

Roof Sheathing

5-2-1 Observation: Roof sheathing is wavy or appears bowed.

Performance Guideline: Roof sheathing shall not bow more than 1/2-inch in 2 feet. Remodeling Specific: If new sheathing is installed over existing rafters, the sheathing will follow the bows of the existing rafters. The owner and contractor should agree on whether or not the rafters are to be straightened. If they are not to be straightened, the performance guideline for this item will be disregarded.

Corrective Measure: The contractor will straighten bowed roof sheathing as necessary to meet the performance guideline.

Discussion: In rare instances, the contractor might have to install Blocking between the framing members to straighten the sheathing.

Roof Vents

5-3-1 Observation: An attic vent or louver leaks.
Performance Guideline: Attic vents and louvers shall not leak. However, infiltration of wind-driven rain and snow are not considered leaks and are beyond the control of the contractor.

Corrective Measure: The contractor shall repair or replace the roof vents as necessary to meet the performance guideline.

Discussion: Properly installed louvers or vents may at times allow penetration of rain or snow under strong wind conditions and are not deficiencies.

Roof Installation and Leaks

Asphalt Shingles

5-4-1 Observation: The roof or flashing leaks.

Performance Guideline: Roofs and flashing shall not leak under normal conditions, except where the cause is determined to result from ice build-up or the owner's actions or negligence.

Corrective Measure: The contractor will repair any verified roof or flashing leaks not caused by ice build-up, leaves, debris, or the owner's actions or negligence. It is the owner's responsibility to keep the roof drains, gutters, and downspouts free of debris.

5-4-2 Observation: Ice builds up on the roof.

Performance Guideline: During prolonged cold spells ice is likely to build up on a roof, especially at the eaves. This condition naturally can occur when snow and ice accumulates.

Corrective Measure: No action is required of the contractor. Prevention of ice build-up on the roof is a owner maintenance item.

Discussion: In the event ice builds up on the roof and then melts causing damage, this consequential damage is also the owner's responsibility.

5-4-3 Observation: Shingles have blown off.

Performance Guideline: Shingles shall not blow off in winds less than stated in the manufacturer's warranty or applicable building codes.

Corrective Measure: If shingles were not installed properly, they will be repaired or replaced in the affected area.

5-4-4 Observation: Shingles are not horizontally aligned.

Performance Guideline: Shingles should be installed according to the manufacturer's instructions. Remodeling Specific: The owner and the contractor may agree prior to installation that the horizontal line of shingles on the roof of an addition need not line up with those of the existing structure if the floors (and hence, the eaves and ridge) are not to be built on the same Plane.
Corrective Measure: The contractor will remove shingles that do not meet the performance guideline, and will repair or replace them with new shingles that are properly aligned.

Discussion: The bottom edge of dimensional shingles may be irregular; the irregularity is an inherent part of the design.

5-4-5 Observation: New shingles do not match existing shingles.

Performance Guideline: Because of weathering and manufacturing variations, the color of new shingles will not exactly match the color of existing shingles.

Corrective Measure: The contractor is not responsible for precisely matching the color of existing shingles.

5-4-6 Observation: Asphalt shingle edges or corners are curled or cupped.

Performance Guideline: Asphalt shingle edges and corners shall not curl or cup more than 1/2-inch.

Corrective Measure: No corrective action is required of the contractor. Cupping in excess of 1/2-inch should be reported to the manufacturer.

5-4-7 Observation: Asphalt shingles do not overhang the edges of the roof, or hang too far over the edges of the roof.

Performance Guideline: Asphalt shingles shall overhang roof edges by not less than 1/4-inch and not more than 3/4-inch unless the manufacturer's instructions indicate otherwise.

Corrective Measure: The contractor will reposition or replace shingles as necessary to meet the performance guideline.

5-4-8 Observation: Shading or a shadowing pattern is observed on a new shingle roof.

Performance Guideline: Shading or shadowing is a defect only if it results from failure to use shingles of the type specified in the contract.

Corrective Measure: The contractor will replace shingles not conforming to the manufacture's standards.

5-4-9 Observation: Asphalt shingles have developed surface buckling.

Performance Guideline: Asphalt shingle surfaces need not be perfectly flat. Buckling higher than 1/4-inch is considered unacceptable. Remodeling Specific: If an owner elects to re-roof over an existing roof owner must be aware that the new roof will follow the contours of the underlying roof.

Corrective Measure: The contractor will repair or replace the affected shingles to meet the performance guideline.

5-4-10 Observation: Sheathing nails have loosened from framing and raised asphalt shingles.

Performance Guideline: Nails shall not loosen from roof sheathing to raise asphalt shingles from surface.

Corrective Measure: The contractor shall repair all areas as necessary to meet the performance guideline.

Discussion: It is not uncommon for nails to "work themselves out" due to variations in temperature. The contractor can re-drive or remove and replace fasteners that withdraw from the framing. Any resulting holes should be sealed or the shingle should be replaced (a perfect color/shade match cannot be assured).

5-4-11 Observation: Roofing nails are exposed at the ridge or hip of a roof.

Performance Guideline: Nail heads shall be sealed.

Corrective Measure: The contractor shall repair areas to meet the performance guideline.

5-4-12 Observation: Holes from construction activities are found in asphalt shingles.

Performance Guideline: Holes from construction activities shall be flashed or sealed below the asphalt shingle tab to prevent leakage. If the patch is visible from the ground, the shingle should be replaced.

Corrective Measure: The contractor will repair or replace the affected shingles to meet the performance guideline.

5-4-13 Observation: Remodeling Specific: Existing roof shingles are telegraphing through new asphalt shingles.
Performance Guideline: Remodeling Specific: Some telegraphing is common when re-roofing over existing roofing.

Corrective Measure: Because this is a common occurrence, no corrective action is required.

Roll Roofing

5-4-14 Observation: Water is trapped under roll roofing.

Performance Guideline: Water shall not become trapped under roll roofing.

Corrective Measure: If water becomes trapped under roll roofing during the warranty period, the contractor will repair or replace the roofing as necessary to meet the performance guideline.

5-4-15. Observation: Roofing is blistered but does not admit water.

Performance Guideline: Surface blistering of roll roofing is caused by unusual conditions of heat and humidity acting on the asphalt and cannot be controlled by the contractor.

Corrective Measure: None.

5-4-16 Observation: Water is standing on a flat roof.

Performance Guideline: Water shall drain from a flat roof except for minor ponding within 24 hours of a rainfall. Minor ponding shall not exceed 3/8-inch in depth.
Corrective Measure: The contractor will take corrective action to ensure proper drainage of the roof.

Chimney

5-5-1 Observation: A crack in a masonry chimney cap or crown causes leakage.

Performance Guideline: It is common for caps to crack due to expansion and contraction. As a result, leaks may occur.

Corrective Measure: If cracking causes leakage the contractor will repair the cap or crown. Caulking or other sealant is acceptable.

5-5-2 Observation: New chimney flashing leaks.

Performance Guideline: New chimney flashing shall not leak under normal conditions.

Corrective Measure: The contractor will repair leaks in new chimney flashing that are not caused by ice build- up, other common occurrences, or by the owner's actions or negligence.

Discussion: The accumulation of ice and snow on the roof is a natural occurrence and cannot be prevented by the contractor.

Gutters and Downspouts

5-6-1 Observation: The gutter or downspout leaks.

Performance Guideline: Gutters and downspouts shall not leak.

Corrective Measure: The contractor will repair leaks in gutters and downspouts. Sealants are acceptable.

5-6-2 Observation: The gutter overflows during a heavy rain.

Performance Guideline: Gutters may overflow during a heavy rain.

Corrective Measure: The contractor shall repair the gutter if it overflows during normal rains.

Discussion: The owner is responsible for keeping gutters and downspouts free from debris that could cause overflow.

5-6-3 Observation: Water remains in the gutter after a rain.

Performance Guideline: The water level shall not exceed 1/2-inch in depth if the gutter is unobstructed by ice, snow, or debris.

Corrective Measure: The contractor will repair the gutter to meet the performance guideline. The owner is responsible for maintaining gutters and downspouts and keeping them unobstructed.

Discussion: Contractors usually install residential gutters with minimal slope in order to maintain an attractive appearance. Installing gutters with 1/32-inch drop in 1 foot generally will prevent water from standing in the gutters. Even so, small amounts of water may remain in some sections of the gutter for a time after a rain. In areas with heavy rainfall and/or ice build-up, a steeper pitch or additional downspouts may be desirable.

Skylights

5-7-1 Observation: Skylight leaks.

Performance Guideline: Skylights shall be installed in accordance with manufacturer’s specifications. Leaks resulting from improper installation are unacceptable. Condensation on interior surfaces is not a leak and not considered a defect.

Corrective Measure: The contractor will repair any improperly installed skylight to meet the performance guideline.

Discussion: Leaks are often caused by other factors such as improper flashing of vents, chimneys or vertical walls. These defects often show up at the skylight opening. Before deeming the skylight to be defective other possible causes should be ruled out by careful examination and a thorough water test.

Plumbing
Coverage 1st Year Only, Workmanship and Materials

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

Water Supply System

6-1-1 Observation: Condensation appears on pipes, fixtures and plumbing supply lines.

Performance Guideline: Condensation on pipes, fixtures, and plumbing supply lines may occur at certain combinations of temperature and indoor humidity. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The owner is responsible for controlling humidity in the home.

Discussion: The owner may insulate pipes and supply lines.

Plumbing Fixtures

6-1-2 Observation: A faucet or valve leaks.

Performance Guideline: No faucet or valve shall leak because of defects in material or workmanship. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair or replace the leaking faucet or valve.

Discussion: Leakage caused by worn or defective washers or seals is homeowner maintenance item.

6-1-3. Observation: Water pipe is noisy.

Performance Guideline: Because of the flow of water and pipe expansion, the water pipe system will emit some noise. However, the pipes should not make the pounding noise called "water hammer" (noise occurring in a water pipe when air is trapped in the pipe).

Corrective Measure: The contractor cannot remove all noises caused by water flow and pipe expansion. However, the contractor will correct the system to eliminate "water hammer."

Plumbing Fixtures

6-2-1 Observation: A plumbing fixture, appliance, or trim fitting is defective.

Performance Guideline: Plumbing fixtures, appliances, and trim fittings shall not be damaged or defective at the time of substantial completion of the project. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: If the fixtures, appliances or trim were supplied by contractor and they are not in accordance with the manufactures guidelines they must be repaired or replaced. If supplied and or installed by the owner no action is required of the contractor. Defective trim fittings, appliances, and fixtures are covered under manufacturers' warranties.

6-2-2 Observation: The surface of a plumbing fixture is cracked or chipped.

Performance Guideline: Cracks, scrapes and chips in surfaces of bathtubs and sinks are considered unacceptable if they are visible from 3 feet away in normal lighting conditions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: If the fixtures were supplied by the contractor and they do not meet the performance guideline they must be repaired or replaced. If supplied and or installed by the owner no action is required of the contractor. The contractor is not responsible for repairs unless the damage is reported to the contractor prior to substantial completion of the project. Defective fixtures are covered under manufacturers' warrantees.

Discussion: Fiberglass and acrylic fixtures often may be repaired.

6-2-3 Observation: A fiberglass tub or shower enclosure base flexes.

Performance Guideline: The tub or showers are to be installed according to the manufacturer's instructions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall repair the base to meet the performance guideline.

6-2-4 Observation: A vanity top is cracked.

Performance Guideline: Vanity tops shall not have cracks at drain connections when installed. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall repair or replace the vanity top to meet the performance guidelines. Cracks must be noted prior to substantial completion of the project.

6-2-5 Observation: Staining of plumbing fixtures due to high iron content in water.

Performance Guideline: None.
Corrective Measure: None. High iron content in the water supply system will cause staining of plumbing fixtures.

Discussion: Maintenance and treatment of the water is the owner's responsibility.

Electrical
Coverage 1st Year Only, Workmanship and Materials

Fuses and Circuit Breakers

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

7-1-1 Observation: A fuse blows or a circuit breaker trips.

Performance Guideline: Fuses and circuit breakers shall not be tripped by normal usage. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will check wiring circuits and components for conformity with applicable electrical code requirements. The contractor will correct noncompliant elements.

Discussion: Blown fuses and tripped breakers are symptoms of a problem in some part of the electrical system in the home or some consumer product connected to the system. Although defective components are possible, most electrical malfunctions are caused by consumer-owned fixtures and appliances. The consumer should unplug or disconnect fixtures and appliances on the circuit and then replace the fuse or reset the breaker. If the problem recurs, the contractor should be notified.

7-1-2 Observation: A ground fault circuit interrupter (GFCI) or arc fault circuit interrupter (AFCI) trips frequently.

Performance Guideline: Ground fault and arc fault circuit interrupters shall perform as designed. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will install ground fault and arc fault circuit interrupters in accordance with applicable electrical codes. Tripping is to be expected and is not covered unless it is caused by a component failure or incorrect installation.

Discussion: Both ground fault and arc fault circuit interrupters are very sensitive devices and are easily tripped. GFCI's protect outlets in wet areas (for example, bathrooms, kitchens, garages, exterior, etc.). Outlets protected by GFCIs may be connected in series; it may not be readily apparent that an inoperative convenience outlet is the result of a tripped GFCI in another room (and not necessarily in the electrical panel). AFCIs sometimes are installed to protect bedroom circuits. The most common cause of tripping by AFCIs is damaged cords or plugs on owners' lamps, small appliances, or other devices. AFCIs are usually found in the electrical panel.

7-2-1 Observation: A light fixture is tarnished.

Performance Guideline: Finishes on light fixtures may be covered under the manufacturer's warranty. Remodeling Specific: See Note at beginning of chapter.
Corrective Measure: No action is required of the contractor. Owner should contact manufacturer.

7-2-2 Observation: Receptacle or switch covers protrude from the wall.

Performance Guideline: Receptacle or switch covers should not be more than 1/16-inch from the adjoining wall surface. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will adjust the covers to meet performance guideline.

7-2-3 Observation: The owner's 220-volt appliance cord does not fit the outlet provided by the contractor.

Performance Guideline: The contractor shall install electrical outlets required by applicable electrical code. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required of the contractor.

Discussion: The owner is responsible for obtaining an appliance cord that fits the outlets provided by the contractor.

7-3-1 Observation: A ceiling fan vibrates and/or is noisy.

Performance Guideline: The contractor shall install ceiling fans in accordance with the manufacturer's instructions (including blade balances). Remodeling Specific: See Note at beginning of chapter.
Corrective Measure: The contractor shall correct any fan installation not in accordance with the performance guideline if the fan was supplied and installed by the contractor.

7-3-2 Observation: An exhaust fan discharges into attic or crawl space.

Performance Guideline: Fans shall discharge as required by applicable codes. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall repair to meet performance guideline.

7-4-1 Observation: A smoke detector "chirps."

Performance Guideline: A smoke detector should not "chirp" at substantial completion of the project. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair or replace the smoke detector to eliminate chirping.

Discussion: Most smoke detectors are powered by both the home's electrical power and a backup battery. "Chirping" is an indication that the battery is weak or is not installed. If the chirping occurs on a new smoke detector, the contractor will check the battery, verify that the detector is wired correctly, and replace the device if necessary. Safety officials recommend that owners change the batteries in smoke detectors semi-annually when daylight-saving time begins and ends.

7-5-1 Observation: Electrical outlets, switches, or fixtures malfunction.

Performance Guideline: All electrical outlets, switches, and fixtures shall operate as designed. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair or replace malfunctioning electrical outlets, switches, and fixtures, if supplied and installed by the contractor.

7-5-2 Observation: Carbon monoxide alarm goes off excessively.

Performance Guideline: Carbon monoxide sensors shall be installed in accordance with manufacturer's standards and applicable codes.

Corrective Measure: None. The contractor is responsible to properly install the sensor.

Interior Climate Control
Coverage 1st Year Only, Workmanship and Materials

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

Air Infiltration and Drafts

8-1-1 Observation: Air infiltrates around exterior doors or windows.

Performance Guideline: Some infiltration is usually noticeable around doors and windows, especially during high winds. No daylight shall be visible around the frame when the window or door is closed. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall repair to meet the performance guideline.

Discussion: Proper repair can be performed by adjusting or installing weather stripping around doors and windows. In high-wind areas, the owner may elect to have storm windows and doors installed to further reduce drafts.

8-1-2 Observation: A draft comes through an electrical outlet.

Performance Guideline: Electrical outlets and switch boxes on exterior walls may allow cold air to flow through or around an outlet into a room. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required of the contractor. The owner may elect to install foam insulation pads under switch and outlet plates to help decrease drafts.

Humidity Control and Condensation

8-2-1 Observation: Water, ice, or frost is observed on a window.

Performance Guideline: Windows will be installed in accordance with the manufacturer's instructions and applicable building code, Remodeling Specific: See Note at beginning of chapter.
Corrective Measure: No action is required of the con-tractor unless the water, ice, or frost is directly attributed to faulty installation (i.e., that deviates from the manufacturer's instructions and/or applicable building code).

Discussion: Condensation usually results from conditions beyond the contractor's control. Moisture in the air can condense into water and collect on cold surfaces, particularly in the winter months when the outside temperature is low. Blinds and drapes can prevent air within the building envelope from moving across the cold surface and picking up the moisture. Occasional condensation (water) in the kitchen, bath, or laundry area is common. It is the owner's responsibility to maintain proper humidity by properly operating heating and cooling systems and allowing moving air within the home to flow over the interior surface of the windows.

8-2-2 Observation: There is moisture between the panes of a double glazed window.

Performance Standard: Moisture between the panes of double glazed windows during the manufacturer's warranty period is unacceptable.

Corrective Measure: The owner should contact the manufacturer.

Air Distribution and Ventilation

8-3-1 Observation: The attic or crawl space is inadequately ventilated.

Performance Guideline: The attic and crawl space shall be ventilated as required by the applicable building code.
Corrective Measure: The contractor will provide for adequate ventilation. The contractor is not responsible for actions by the owner that interfere with the ventilation system.

8-3-2 Observation: There is airflow noise at a register.

Performance Guideline: The register should be correctly installed according to the manufacturer's instructions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required unless registers are not installed in accordance with manufacturer's instructions.

Discussion: Under certain conditions, some noise may be experienced with the normal flow of air, even when registers are installed correctly. See the manufacturer's instructions.

8-3-3 Observation: There are gaps between HVAC (Heating, Ventilating and Air Conditioning) vent or register cover and the wall or ceiling.

Performance Guideline: This is a normal condition beyond the contractor’s control. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: None.

Discussion: It is the inherent nature of the heating and cooling system to cause vents and registers to bend over time. This can result in gaps occurring between the vent or register cover and the wall. As long as the vent or register is securely attached, this is not a warranty item.

8-3-4 Observation: A condensate drain line is clogged.

Performance Guideline: The contractor will provide unobstructed condensate lines at the time of substantial completion of the project. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall unclog any clogged condensate line at the time of substantial completion of the project. Condensate lines will eventually clog under normal use and they must be kept free of all clogs to operate properly. The owner is responsible for maintaining them in proper condition.

8-3-5 Observation: There is condensation on the outside of air handlers and ducts.

Performance Standards: Air handlers and ducts will collect condensation on their exterior surfaces when extreme temperature differences and high humidity levels occur. Condensation usually results from humid conditions within the home that are created by the owner or during the curing process in a new space.

Corrective Measure: Unless the condensation or frost is directly attributed to faulty installation, it usually results from conditions beyond the control of the contractor. No corrective action is required.

Discussion: Condensation usually results from conditions beyond the contractor's control. Moisture in the air can condense (to form water) and collect on cold duct surfaces, particularly in the summer months when the outside humidity is high.

8-5-5 Observation: Kitchen or bath fans allow air infiltration.

Performance Guideline: Bath and kitchen fans shall be installed in accordance with the manufacturer's instructions and code requirements. Remodeling Specific: See Note at beginning of chapter**.**

Corrective Measure: No action is required of the contractor if fans meet the guideline.

Discussion: It is possible for outside air to enter the house through a ventilation fan. The dampers in most fans do not seal tightly. It is possible for the damper to be lodged open due to animal activity (including nesting in the outside opening), or the accumulation of grease, lint, and other debris. Maintenance of ventilating fans is the owner's responsibility.

INTERIOR

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

Coverage 1st Year Only, Workmanship and Materials
Interior Doors

9-1-1. Observation: Interior door is warped.

Performance Guideline: Interior doors (full openings) shall not warp in excess of ¼-inch. Remodeling Specific: see Note at beginning of chapter.

Corrective Measure: The contractor will correct or replace and refinish defective doors to match existing doors as nearly as practical during the warranty period.

Discussion: In bathroom or utility areas, exhaust fans or an open window must be used to remove moisture to eliminate or limit warpage of door Units. If customer is responsible for painting the door, the contractor is not responsible if the door is not painted to manufacturer’s specifications.

9-1-2 Observation: Bifold doors come off their tracks during normal operation.

Performance Guideline: Bifold doors shall slide properly on their tracks at the time of substantial completion of the project. Cleaning and maintenance necessary to preserve proper operation are owner responsibilities. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will repair any bifold door that will not stay on its track during normal operation.

Discussion: Proper operation should be verified by the owner and the contractor at the time of substantial completion of the project.

9-1-3 Observation: A pocket door rubs in its pocket during normal operation.

Performance Guideline: Pocket doors shall not rub in their pockets during normal operation if they are installed according to the manufacturer's instructions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will repair the pocket door to meet the performance guideline.

Discussion: Pocket doors commonly rub, stick, or derail due to the inherent nature of the product. It is common, however, for the door to operate against the guides provided by the manufacturer.

9-1-4 Observation: A wooden door panel has shrunk or split.

Performance Guideline: Wooden door panels shall not split to the point that light is visible through the door. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will fill splits in the door panel with wood filler and will match the paint or stain as closely as practical.

9-1-5 Observation: Door rubs on jambs or contractor-installed floor covering, or latch does not work.

Performance Guideline: Doors shall operate smoothly and door latches shall operate correctly.
Corrective Measure: The contractor will repair the door and the door latch as necessary to meet the performance guideline.

9-1-6 Observation: A door edge is not parallel to the doorjamb.

Performance Guideline: When the contractor installs the doorframe and door, the door edge shall be within 3/16-inch of parallel to the doorjamb. Remodeling Specific: Where the contractor installs the door in an existing frame that is out of square, the guideline does not apply. See Note at beginning of chapter.

Corrective Measure: The contractor will adjust the door as necessary to meet the guideline one time.

9-1-7 Observation: A door swings open or closed by the force of gravity.

Performance Guideline: Doors shall not swing open or closed by the force of gravity alone. Remodeling Specific: This guideline does not apply where a door is installed in an existing wall that is out of plumb. See Note at beginning of chapter.

Corrective Measure: The contractor shall repair door operation to meet the performance guideline one time.

9-1-8 Observation: Interior doors do not operate smoothly.

Performance Guideline: Doors shall move smoothly with limited resistance. Remodeling Specific: See Note at beginning of chapter.
Corrective Measure: The contractor shall repair door operation to meet the performance guideline one time.

Interior Stairs

9-2-1. Observation: Interior stair tread deflects too much.

Performance Guideline: The maximum vertical deflection of an interior stair tread shall not exceed 1/8-inch within a 36-inch span at 200 pounds of static weight.

Corrective Measure: The contractor will repair the stair to meet the performance guideline.

9-2-2 Observation: Gaps exist between interior stair risers, treads, and/or skirts.

Performance Guideline: Gaps between adjoining parts that are designed to meet flush shall not exceed 1/8-inch in width.

Corrective Measure: The contractor will fix the gap with filler or replace parts as necessary to meet the performance guideline.

9-2-3. Observation: Squeaking stair riser or tread.

Performance Guideline: Loud squeaks caused by a loose stair riser or tread are unacceptable, but totally squeak-proof stair risers or treads cannot be guaranteed.

Corrective Measure: The contractor will refasten any loose risers or treads or take other corrective action to eliminate squeaking to the extent possible within reasonable repair capability without removing treads or ceiling finishes.

Discussion: Squeaks in risers or treads may occur when a riser has come loose from the tread, and is deflected by the weight of a person and rubs against the nails that hold it in place. Movement may occur between the riser and the tread or other stairway members when one tread is deflected while the other members remain stationary. Using trim screws to fasten the tread to the riser from above will sometimes reduce squeaking. If there is no ceiling below, gluing or renailing the riser to the tread or shimming will reduce squeaks but the total elimination of squeaks is practically impossible. The performance guideline requires the contractor to make a reasonable attempt to eliminate squeaks without requiring removal of treads or ceiling finishes.

9-2-4 Observation: Gaps exist between interior stair railing parts.

Performance Guideline: Gaps between interior stair railing parts shall not exceed 1/8-inch in width.

Corrective Measure: The contractor will ensure that individual parts of the railing are securely mounted. Any remaining gaps will be filled or parts replaced to meet the performance guideline.

9-2-5. Observation: Interior stair railing lacks rigidity.

Performance Guideline: Interior stair railings shall be attached to structural members in accordance with applicable codes.

Corrective Measure: The contractor will repair any stair railings as necessary to comply with applicable codes.

Trim and Moldings

9-3-1 Observation: There are gaps at non-mitered trim and molding joints.

Performance Guideline: Openings at joints in trim and moldings, and at joints between moldings and adjacent surfaces, shall not exceed1/8-inch in width at the time of installation.

Corrective Measure: The contractor will repair joints to meet the performance guideline.

Discussion: Separation of trim and moldings in excess of the performance guidelines may be caused by lack of control of indoor relative humidity. Joints that separate under these conditions are not considered defective. It is the owner's responsibility to control temperature and humidity in the home.

9-3-2. Observation: Nails are not properly set or, where puttied, nail holes are not properly filled.

Performance Guideline: Setting nails or filling nail holes are considered part of painting and finishing. After painting or finishing, except stained or natural finished woodwork, nails and nail holes shall not be readily visible from a distance of 6 feet under normal lighting conditions at the time of substantial completion of the project.
Corrective Measure: Where the contractor is responsible for painting, the contractor shall take action necessary to meet the performance guideline.

9-3-3. Observation: Inside corner is not coped or mitered.

Performance Guideline: Trim edges at inside corners shall be coped or mitered. However, square edge trim may be butted.

Corrective Measure: The contractor will finish inside corners to meet the performance guideline.

9-3-4. Observation: Trim or molding miter edges do not meet.

Performance Guideline: Gaps between miter edges in trim and molding shall not exceed 1/8-inch at time of installation.

Corrective Measure: The contractor will repair gaps that do not meet the performance guideline. Caulking or puttying with materials compatible to the finish is acceptable.

9-3-5 Observation: Interior trim is split.

Performance Guideline: Splits, cracks, and checking greater than 1/8-inch in width are considered unacceptable.

Corrective Measure: One time only, the contractor will repair the affected area to meet the guideline.

9-3-6. Observation: Hammer marks are visible on interior trim.
Performance Guideline: Hammer marks on interior trim shall not be readily visible from a distance of 6 feet under normal lighting conditions.

Corrective Measure: The contractor will fill hammer marks and refinish or replace affected trim to meet the performance guideline. Refinished or replaced areas may not match surrounding surfaces exactly.

Cabinets and Counter Tops

9-4-1 Observation: Cabinets do not meet the ceiling or walls.

Performance Guideline: Gaps greater than 1/4-inch in width are considered unacceptable.

Corrective Measure: The contractor will repair the gap with caulk, putty, or scribe molding, or will reposition/ reinstall cabinets to meet the performance guideline.

Discussion: Remodeling Specific: When installed in rooms with out-of-plumb walls or out-of-level floors and ceilings, "square" cabinets cannot be installed parallel to walls and ceilings and still keep the cabinets on line. For example, if the floor is not level and the installer measures up from it, "snaps" a line on which to place the tops of the wall cabinets, and then plumbs the first cabinet, one corner of the cabinet will leave the line, and the bottom of successive cabinets will not be in line. Similarly, cabinets will not line up with each other if they are installed on a level line, starting against an out-of-plumb wall instead of a plumb wall. The contractor should explain the aesthetic options to the owner and select the best option with the owner.

9-4-2 Observation: Cabinets do not line up with each other.

Performance Guideline: Cabinet faces more than 1/8-inch out of line, and cabinet corners more than 3/16- inch out of line, are considered unacceptable, unless the owner and the contractor agree to disregard the guideline in order to match or otherwise compensate for pre-existing conditions.

Corrective Measure: The contractor will make necessary adjustments to meet the performance guideline.

Discussion: Remodeling Specific: In remodeling projects, many times the rooms are out of square, walls are not plumb, and floors are not level. Cabinets and countertops may have to be shimmed or otherwise adjusted to make the cabinets and countertops fit together properly. Cabinets may not fit flush against the walls on the ends or bottoms and may not fit flat against the floor the contractor should explain the aesthetic options to the owner and select the best option with the owner. In rooms with out of plumb walls or out of level floors and ceilings, "square" cabinets cannot be installed parallel to walls and ceilings and still keep the cabinets on line. For example, if the floor is not level and the installer measures up from it, "snaps" a line on which to place the tops of the wall cabinets, then plumbs the first cabinet, one corner of the cabinet will leave the line, and the bottom corners of successive cabinets will leave the line, and the bottom corners of successive cabinets will not be in line. Similarly, cabinets will not line up with each other if they are installed on a level line, starting against an out of plumb wall instead of being plumbed. The contractor should explain the aesthetic options to the owner and select the best option with the owner.

9-4-3. Observation: Cabinet is warped.

Performance Guideline: Cabinet warpage shall not exceed ¼-inch as measured from the face frame to the point of furthermost warpage, with the door or drawer front in closed position.

Corrective Measure: The contractor will correct or replace doors and drawer fronts as necessary to meet the performance guideline.

9-4-4. Observation: Cabinet door or drawer binds.

Performance Guideline: Cabinet doors and drawers shall open and close with reasonable ease.

Corrective Measure: The contractor will adjust or replace doors and drawers as necessary to meet the performance guideline.

9-4-5 Observation: Cabinet door will not stay closed.

Performance Guideline: The catches or closing mechanisms for cabinet doors shall be adequate to hold the doors in a closed position.

Corrective Measure: The contractor will adjust or replace the door catches or closing mechanisms as necessary to meet the performance guideline.

9-4-6 Observation: Cabinet doors or drawers are cracked.

Performance Guideline: Panels and drawer fronts shall not crack.
Corrective Measure: The contractor may replace or repair cracked panels and drawer fronts. No contractor action is required if the cracked drawer fronts or panels result from the owner's abuse.

Discussion: Paint or stain on the repaired or replaced panel or drawer front may not match the paint or stain on the existing panels or drawer fronts.

9-4-7 Observation: A cabinet door is warped.

Performance Guideline: Cabinet door warpage shall not exceed 1/8-inch as measured diagonally from corner to corner.

Corrective Measure: The contractor may replace or repair warped doors to meet the performance guideline.

9-4-8 Observation: Cabinet doors do not align when closed.

Performance Guideline: Gaps between doors should not exceed1/8-inch.

Corrective Measure: The contractor shall adjust doors to meet the performance guideline.

9-4-9. Observation: Shrinkage of insert panels of cabinet doors and drawers show raw wood edges.

Performance Guideline: Panels will shrink and expand and may expose unpainted or unfinished surface.

Corrective Measure: None.

Countertops

9-5-1 Observation: High-pressure laminate on a countertop is delaminated.

Performance Guideline: Countertops fabricated with high-pressure laminate coverings shall not delaminate.

Corrective Measure: The contractor will repair or replace delaminated coverings, unless the delamination was caused by the owner's misuse or negligence.

Discussion: Owners should refrain from leaving any liquids near the countertop seams or allowing the surface to become excessively hot.

9-5-2. Observation: The surface of high-pressure laminate on countertop is cracked or chipped.

Performance Guideline: Countertops shall be free of cracks and chips at the time of substantial completion of the job. Cracks or chips occurring after acceptance of the job are the owner’s responsibility.

Corrective Measure: The contractor will repair or replace cracked or chipped countertops only if they are reported prior to acceptance of the job.

9-5-3 Observation: Solid surface countertops are visibly scratched.

Performance Guideline: At the time of substantial completion of the project, solid surface countertops shall be free of scratches visible from 6 feet away under normal lighting conditions.
Corrective Measure: The contractor shall repair scratches in the countertop to meet the performance guideline.

9-5-4 Observation: A countertop is not level.

Performance Guideline: Countertops shall be no more than 3/8-inch in 10 feet out of parallel with the floor. Remodeling Specific: For projects where the floor is out of level, the countertop may be installed proportionately out of level.

Corrective Measure: The contractor will make necessary adjustments to meet the performance guideline.

Discussion: Remodeling Specific: In remodeling projects, many times the rooms are out of square, walls are not plumb, and floors are not level. Cabinets and countertops may have to be shimmed or otherwise adjusted to make the cabinets and countertops fit together properly. Cabinets may not fit flush against the walls on the ends or bottoms and may not fit flat against the floor: The contractor should explain the aesthetic options to the owner and select the best option with the owner.

9-5-5 Observation: A tile countertop has uneven grout lines.

Performance Guideline: Grout lines should be straight and fairly consistent in width. However, if working with handmade tiles or tiles with broken edges grout lines may vary in width and straightness.

Corrective Measure: If applicable the contractor shall make corrections as necessary to bring the grout lines into compliance with the performance guideline.
Discussion: Different tiles require different widths of grout lines. Some tiles are designed to have varied-width grout lines.

9-5-6 Observation: Tile countertop grout lines are cracked.

Performance Guideline: Tile grout is a cement product and is subject to cracking. Cracks that result in loose tiles or gaps in excess of 1/16-inch shall be repaired.

Corrective Measure: The contractor will repair the grout lines by adding grout, caulking, or replacing grout one time. New grout may not perfectly match previously grouted areas.

9-5-7 Observation: A granite, marble, stone, or solid surface countertop is cracked at the time of substantial completion of the project.

Performance Guideline: Cracks at the time of substantial completion are considered unacceptable.

Corrective Measure: If the crack is found to be caused as a result of faulty installation or product, the contractor will repair or replace the countertop.

Discussion: Some granite, marble or stone have natural cracks and crevices these are allowed within the Performance Guideline and are not to be considered a defect. Some granite, marble and stones may develop cracks and crevices after substantial completion of the project and are not to be considered defects if properly installed.

9-5-8 Observation: A granite, marble, stone, or solid surface countertop has texture or color variations.

Performance Guideline: Color variations are acceptable. The contractor has no responsibility for countertop texture or color variations when the owner selects the material.

Corrective Measure: No action is required of the contractor.

9-5-9 Observation: A granite, marble, stone, or solid surface countertop is chipped at the time of substantial completion of the project.

Performance Guideline: Chips greater than 1/32-inch in width are considered unacceptable.

Corrective Measure: The contractor will repair or replace affected areas to meet the performance guidelines.

9-5-10 Observation: The surface of countertop tile has unacceptable lippage of adjoining tile.

Performance Guideline: Lippage greater than 1/16-inch is considered unacceptable, except for materials that are designed with an irregular height (such as hand-made tile).

Corrective Measure: The contractor will repair or replace the tile to meet the performance guideline.

9-5-11 Observation: A solid surface or laminate countertop has a bubble, bum, stain, or other damage.
Performance Guideline: Solid surface or laminate countertops shall be free of bubbles, bums, or stains at the time of substantial completion of the project.

Corrective Measure: The contractor will repair or replace the countertop to meet the performance guideline.

Discussion: Solid surface and laminate products may be subject to damage by hot surfaces placed on or near the product. The owner is responsible for maintaining the countertop and protecting it from damage.

Interior Wall Finish

Lath and Plaster

9-6-1 Observation: Cracks are visible on a finished wall or ceiling.

Performance Guideline: Cracks shall not exceed 1/16-inch in width. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will repair cracks exceeding 1/16-inch in width. The contractor will touch up paint on repaired areas if the contractor was responsible for the original interior painting. A perfect match between original and new paint cannot be expected and the contractor is not required to paint an entire wall or room.

Gypsum Wallboard

9-6-2. Observation: Nail pop, blister, or other blemish is visible on finished wall or ceiling.

Performance Guideline: Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/16-inch in width are common in gypsum wallboard installations and are considered acceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair such blemishes only once during the warranty period. The contractor will touch up paint-repaired areas if the contractor was responsible for the original interior painting. A perfect match between original and new paint cannot be expected, and the contractor is not required to paint an entire wall or room. The contractor is not required to repair defects that are covered by wallpaper or other wall coverings.

Discussion: When drywall has been placed on lumber surfaces which are subject to shrinkage and warpage and which are not perfectly level and plumb, problems often occur through stress and strain placed on drywall during the stabilization of the lumber, which is inherent in the construction of the home. Due to the initial stabilization problem that exists with the new home, it is impossible to correct each defect as it occurs, and it is essentially useless to do so. The entire house will tend to stabilize itself. Some imperfections will not be visible under normal lighting but will become apparent under strong, high or diagonal lighting or strong sunlight. These imperfections are not to be considered defects. Nail and screw pops, showing seam lines and spackle cracks result from wood shrinkage, normal settlement and changes in temperature and humidity. These factors are normal and beyond the contractor's control, they should not be considered defects or unusual.

9-6-3 Observation: Cracked corner bead, excess joint compound, trowel marks, or blisters in tape joints are observed on the drywall surface.

Performance Guideline: Defects resulting in cracked corner bead, trowel marks, excess joint compound or blisters in tape are considered unacceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor shall repair the affected area of the wall to meet the performance guideline one time within the warranty period.

9-6-4 Observation: Joints protrude from the surface.

Performance Guideline: Any joints that are visible from a distance of 6 feet under normal lighting conditions are considered unacceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will repair affected areas.

Discussion: Joints often occur in long walls, stairwells, and areas of two-story homes where framing members have shrunk and caused the drywall to protrude.

9-6-5 Observation: The texture of gypsum wallboard does not match.
Performance Guideline: Any variations that are readily visible from a distance of 6 feet under normal lighting conditions are considered unacceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair the affected area to meet the guideline.

Discussion: There will usually be some variation in texture between the wall Board and the joint compound.

9-6-6 Observation: Angular gypsum wallboard joints are uneven.

Performance Guideline: This is a natural condition that occurs with randomly applied materials. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required of the contractor. This is a common condition.

9-6-7 Observation: Drywall is cracked.

Performance Guideline: Drywall cracks greater than 1/16-inch in width are considered unacceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: One time only, the contractor will repair cracks and touch up paint in affected areas. The texture and paint color may not exactly match the existing texture and paint color.

9-6-8 Observation: Blown or textured ceilings have uneven textures.
Performance Guideline: This is a common condition that occurs with randomly applied materials. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required of the contractor. This is a common condition.

Paint, Stain, and Varnish

9-6-9 Observation: Interior paint does not "cover" the underlying surface.

Performance Guideline: The surface being painted shall not show through new paint when viewed from a distance of 6 feet under normal lighting conditions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will recoat affected areas as necessary to meet the guidelines as closely as practical.

9-6-10 Observation: An interior surface is spattered with paint.

Performance Guideline: Paint spatters shall not be readily visible on walls, woodwork, floors, or other interior surfaces when viewed from a distance of 6 feet under normal lighting conditions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will remove paint spatters to meet the performance guideline.

9-6-11 Observation: Brush marks show on interior painted surface.
Performance Guideline: Brush marks shall not be readily visible on interior painted surfaces when viewed from a distance of 6 feet under normal lighting conditions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will refinish as necessary to meet the performance guideline and match affected areas as closely as practical.

9-6-12 Observation: Lap marks show on interior painted or stained areas.

Performance Guideline: Lap marks shall not be readily visible on interior painted or stained areas when viewed from a distance of 6 feet under normal lighting conditions. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will refinish as necessary to meet the guideline and match affected areas as closely as practical.

9-6-13 Observation: Interior painting, staining, or refinishing is required because of repair work.

Performance Guideline: A perfect match between original and new paint cannot be expected. Repairs required under these performance guidelines shall be finished to match the immediate surrounding areas as closely as practical. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: Where the majority of the wall or ceiling area is affected, the area will be painted from break line to break line. The contractor is not required to paint an entire room.

Discussion: The contractor is only responsible if he or she painted the home as part of the original contract.

9-6-14 Observation: Resin has bled through the paint on interior trim.

Performance Guideline: This is a common condition that can be expected to occur with natural materials such as wood. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: No action is required of the contractor. This is a common condition.

9-6-15 Observation: Varnish or clear lacquer finishes have deteriorated.

Performance Guideline: Clear finishes on interior woodwork shall not deteriorate during the warranty period.

Corrective Measure: The contractor will retouch affected areas of clear-finish interior woodwork and match the original finish as closely as practical; provided the owner has not used improper cleaning materials, including ammonia, or other improper methods.

Discussion: Finishes on window sills with south facing exposure may deteriorate due to climatic conditions.

Wallpaper and Vinyl Wall Coverings

9-6-16 Observation: The wall covering has peeled.

Performance Guideline: The wall covering shall not peel off the walls. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will reattach or replace the loose wall covering if the contractor installed the covering.

Discussion: Wallpaper applied in high moisture areas is exempted from this guideline because the problem results from conditions beyond the contractor's control.

9-6-17 Observation: Patterns in wall covering are mismatched.

Performance Guideline: Patterns in wall coverings shall match. Irregularities in the patterns themselves are the manufacturer's responsibility. Remodeling Specific: See Note at beginning of chapter. The guideline does not apply if material is installed on existing out-of-plumb walls or where trim is not square with corners.

Corrective Measure: The contractor shall correct the wall covering to meet the performance guidelines.

FLOOR FINISHES

Coverage 1st Year Only, Workmanship and Materials

Carpeting

10-1-1 Observation: Carpet does not meet at the seams.

Performance Guideline: It is not unusual for carpet seams to show. However, a visible gap at the seams is considered unacceptable.

Corrective Measure: If the carpet was installed by the contractor, the contractor will eliminate visible gaps at carpet seams.

10-1-2 Observation: Carpeting loosens, or the carpet stretches.

Performance Guideline: When stretched and secured properly, wall-to-wall carpeting installed as the primary floor covering shall not come up, loosen, or separate from the points of attachment.

Corrective Measure: If the carpeting was installed by the contractor, the contractor will restretch or resecure the carpeting, once during the first year, as necessary to meet the guidelines.

10-1-3 Observation: Carpeting is faded or discolored.

Performance Guideline: Fading or discoloration of carpet is a manufacturer's responsibility.

Corrective Measure: No action is required of the contractor.

Discussion: Fading or discoloration may result from the owner spilling liquids on the carpet, exposure to sunlight, or the owner's failure to properly maintain the carpet.

10-1-4 Observation: Dead spots are observed in padding areas below the carpet surface.

Performance Guideline: Carpeted areas shall have full coverage of padding consistently throughout the flooring area.

Corrective Measure: The contractor will repair/replace padding in the affected areas to meet the performance guidelines.

Roll Vinyl and Resilient Tile Flooring

10-2-1 Observation: Nail pops are observed on the surface of resilient flooring.

Performance Guideline: Readily visible nail pops on resilient flooring are considered unacceptable.

Corrective Measure: The contractor will repair the nail pops that are readily visible.

Discussion: The contractor will repair or replace, at the contractor's option, the resilient floor covering in the affected areas with similar materials. The contractor is not responsible for discontinued patterns or color variations when replacing the floor covering.

10-2-2 Observation: Depressions or ridges are observed in resilient flooring because of sub floor irregularities.

Performance Guideline: Readily apparent depressions or ridges exceeding 1/8-inch shall be repaired. The ridge or depression measurement is taken at the end of a 6-inch straightedge centered over the depression or ridge with 3 inches of the straightedge held tightly to the floor on one side of the affected area. Measure under the straightedge to determine the depth of the depression or height of the ridge.

Corrective Measure: The contractor will take corrective action as necessary to bring the affected area within the acceptable tolerance so that the depression or ridge is not readily visible and is not more than 1/8-inch. The con-tractor will not be responsible for discontinued patterns or color variations when replacing the floor covering.

Discussion: Contractor is not responsible for homeowner neglect or abuse or installations performed by others.

10-2-3 Observation: Resilient flooring has lost adhesion.

Performance Guideline: Resilient flooring shall not lift, bubble, or detach.

Corrective Measure: At the contractor's option, the contractor will repair or replace the affected resilient flooring as necessary. The contractor is not responsible for discontinued patterns or color variations when replacing the floor covering.

10-2-4 Observation: Seams or shrinkage gaps show at vinyl flooring joints.
Performance Guideline: Gaps at joints/seams in vinyl flooring shall not exceed 1/16-inch in width. Where dissimilar materials abut, the gaps shall not exceed l/16-inch.

Corrective Measure: At the contractor's option, the contractor will repair or replace the vinyl flooring as necessary to meet the performance guideline. The contractor will not be responsible for discontinued patterns or color variations when replacing the floor covering.

Discussion: Proper repair can be accomplished by sealing the gap with seam sealer.

10-2-5 Observation: Bubbles are observed on roll vinyl flooring.

Performance Guideline: Bubbles resulting from trapped air and that protrude higher than l/16-inch from the floor is considered unacceptable.

Corrective Measure: The contractor will repair the floor to meet the guideline.

Discussion: The performance guideline does not apply to perimeter attached vinyl floors.

10-2-6 Observation: The patterns on roll vinyl flooring are misaligned.

Performance Guideline: Patterns at seams between adjoining pieces shall be aligned to within l/16-inch.

Corrective Measure: The contractor will correct the flooring to meet the performance guideline.

10-2-7 Observation: A resilient floor tile is loose.

Performance Guideline: Resilient floor tiles shall be securely attached to the floor.

Corrective Measure: The contractor will attach loose resilient floor tiles securely to the floor. The old adhesive will be removed if necessary to resecure the tiles.

10-2-8 Observation: The corners or patterns of resilient floor tiles are misaligned.

Performance Guideline: The corners of adjoining resilient floor tiles shall be aligned to within l/8-inch. Misaligned patterns are not covered unless they result from improper orientation of the floor tiles.

Corrective Measure: The contractor will correct resilient floor tiles with misaligned corners to meet the performance guideline.

10-2-9 Observation: Yellowing is observed on the surface of vinyl sheet goods after installation and before substantial completion of the project.

Performance Guideline: The contractor shall install vinyl flooring per the manufacturer's instructions.

Corrective Measure: Yellowing resulting from a manufacturer's defect or from the owner's misuse or lack of maintenance is not covered by the contractor.
Discussion: Some chemical compounds, such as the tar residue from a recently paved asphalt driveway, may cause a chemical reaction with the flooring material and result in permanent damage to the floor. The owner is responsible for the proper use and maintenance of the floor. Yellowing caused by the owner's improper use of or inadequate maintenance of the floor is not the contractor's or the manufacturer's responsibility.

Wood Flooring

The Units will be delivered with wood floors, which should not be washed with water and need to be maintained according to the manufacturer's recommendations. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. For care instructions on wood floors, see www.nwfa.org.

10-3-1 Observation: Gaps exist between strip hardwood floorboards.

Performance Guideline: Gaps between strip hardwood floorboards shall not exceed l/8-inch in width at the time of installation.

Corrective Measure: The contractor will repair gaps that do not meet the performance guideline.

Discussion: Wood floors are subject to shrinkage and swell due to seasonal variations in the humidity level of home. While Boards may be installed tight together, gaps or separations may appear during heating seasons or periods of low humidity. Gaps or separations that close during non-heating seasons are not considered deficiencies. Homeowners should be familiar with the recommended care and maintenance requirements of their wood floor. Repeated wetting and drying, or wet mopping, may damage wood finishes. Dimples or scratches can be caused by moving furniture or dropping heavy objects, and certain high heel style shoes may cause indentations. These conditions are not covered by this Warranty. Relative humidity of the home can cause noticeable fluctuations in gaps between floor Boards. This is a normal phenomenon in spaces that experience significant shifts in humidity. The owner is responsible for maintaining proper humidity levels in the home. Proper repair can be affected by filling the gap.

10-3-2 Observation: Strip hardwood floor Boards are cupped.

Performance Guideline: Cups in strip hardwood floorboards shall not exceed 1/16-inch in height in a 3-inch maximum span measured perpendicular to the long axis of the Board. Cupping caused by exposure to moisture beyond the contractor's control is not covered.

Corrective Measure: The contractor will correct or repair cupped Boards to meet the performance guideline.
Discussion: The owner is responsible for proper maintenance of the floor and for maintaining proper humidity levels in the home.

10-3-3 Observation: Excessive lippage is observed at the junction of prefinished wood flooring products.

Performance Guideline: Lippage greater than 1/16-inch is considered unacceptable.

Corrective Measure: The contractor will repair lippage in the affected areas to meet the performance guideline

10-3-4 Observation: Voids ("holidays") are observed in the floor finish.

Performance Guideline: Voids that are readily visible from a distance of 6 feet under normal lighting conditions are considered unacceptable.

Corrective Measure: The contractor will repair the floor finish in the affected area(s) to meet the performance guideline.

10-3-5 Observation: The top coating on hardwood flooring has peeled.

Performance Guideline: Field-applied coating shall not peel during normal usage. Prefinished coatings are the manufacturer's responsibility.

Corrective Measure: The contractor shall refinish any field-applied finishes that have peeled.

Discussion: The owner should contact the manufacturer regarding factory-applied finishes that have peeled.

10-3-6 Observation: Strip flooring has crowned.

Performance Guideline: Crowning in strip flooring shall not exceed 1/16-inch in depth in a 3-inch maximum span when measured perpendicular to the long axis of the Board.

Corrective Measure: The contractor will repair the affected area to meet the performance guideline.

10-3-7 Observation: Hardwood flooring has buckled from the substrate.

Performance Guideline: Hardwood floor should not become loose from the substrate.

Corrective Measure: The contractor will repair the affected area to meet the performance guideline.
10-3-8 Observation: Unacceptable knots and color variations are observed in strip hardwood flooring.

Performance Guideline: The contractor will install the grade of hardwood specified for the project. All wood should be consistent with the grading stamp as specified.

Corrective Measure: The contractor shall replace any improperly graded wood.

Discussion: Hardwood is a natural product and consequently can be expected to exhibit variations in color, grain, and stain acceptance.

10-3-9 Observation: Slivers or splinters are observed in strip flooring.

Performance Guideline: Slivers or splinters that occur during the installation of the flooring are considered unacceptable.

Corrective Measure: The contractor will repair flooring in the affected areas to meet the performance guideline.

Discussion: Slivers or splinters that occur during installation can be shaved and the area filled prior to sanding and finishing.

10-3-10 Observation: "Sticker bum" is observed on the surface of strip flooring.

Performance Guideline: Discoloration from stacking strips in hardwood flooring is considered unacceptable in certain grades of flooring.

Corrective Measure: The contractor shall repair or replace areas with sticker bum if they are not permitted in the grade of wood specified for the project.

Tile, Brick, Marble, and Stone Flooring

10-4-1 Observation: Tile, brick, marble, or stone flooring is broken or loosened.

Performance Guideline: Tile, brick, marble, and stone flooring shall not be broken or loose.

Corrective Measure: The contractor will replace broken tiles, bricks, marble, and stone flooring, and resecure loose tiles, bricks, marble, and stone, unless the flooring was damaged by the owner's actions or negligence. The contractor is not responsible for discontinued patterns or color variations when replacing tile, brick, marble, or stone flooring.

10-4-2 Observation: Cracks are observed in the grouting of tile joints or at the junctures with other materials, such as a bathtub.

Performance Guideline: Cracks in grouting of ceramic tile joints commonly result from normal shrinkage conditions. Cracks that result in loose tiles or gaps in excess of 1/16-inch shall be repaired.

Corrective Measure: The contractor will repair grouting, if necessary, one time only. The contractor is not responsible for color variations or discontinued colored grout. The owner is responsible for regrouting these joints after the contractor's one-time repair.
Discussion: The use of an elastic substance at junctures between tile and other materials is often more effective than grout.

10-4-3 Observation: There is excessive lippage at adjoining marble or ceramic tile.

Performance Guideline: Lippage greater than 1/16-inch is considered unacceptable, except where the materials are designed with an irregular height (such as hand-made tile).

Corrective Measure: The contractor will repair lippage in the affected areas to meet the performance guideline.
Discussion: Lippage is the vertical distance between floor tiles or marble tiles at the point where they abut one another.

10-4-4 Observation: A grout or mortar joint is not a uniform color.

Performance Guideline: After the grout has cured, any color variation that is readily visible from a distance of 6 feet under normal lighting conditions is considered unacceptable.

Corrective Measure: One time only, the contractor will repair the joint to meet the performance guideline.

Discussion: When grout repairs are done a perfect match between the original grout and new grout cannot be expected. The contractor is not required to re-grout an entire floor, wall or room.

Miscellaneous
Coverage 1st Year Only, Workmanship and Materials

Fireplace and Wood Stove

11-1-1. Observation: Fireplace or chimney does not consistently draw properly.

Performance Guideline: A properly designed and constructed fireplace and chimney shall function correctly.

Corrective Measure: The contractor shall correct as necessary if the problem is caused by a design or construction flaw.

Discussion: High winds can cause temporary negative or down drafts. Negative drafts can also be caused by obstructions such as tree branches, steep hillsides, adjoining homes, and interior furnaces.

11-1-2 Observation: The chimney is separated from the structure.

Performance Guideline: Newly built fireplaces will often incur slight amounts of separation. The amount of separation from the main structure shall not exceed 1/2-inch in any ten-foot vertical measurement.

Corrective Measure: The contractor will repair gaps that do not meet the performance guideline.

Discussion: Proper repair can be affected by caulking unless the cause of the separation is due to a structural failure of the chimney foundation itself. In that case, caulking is unacceptable.

11-1-3 Observation: The firebox paint is damaged by a fire in the fireplace.

Performance Guideline: Heat and discoloration is a common occurrence.

Corrective Measure: No action is required of the contractor.

Discussion: The owner should obtain the proper paint from the manufacturer if he or she chooses to touch up the interior of the firebox for aesthetic reasons.

11-1-4 Observation: A firebrick or mortar joint is cracked.

Performance Guideline: Heat and flames from normal fires can cause cracking.

Corrective Measure: No corrective action is required of the contractor.

11-1-5 Observation: A simulated firebrick panel has cracked.

Performance Guideline: This is a common condition.

Corrective Measure: No corrective action is required of the contractor.

11-1-6 Observation: Rust is observed on the fireplace damper.

Performance Guideline: This is a common condition.

Corrective Measure: No corrective action is required of the contractor.

Concrete Stoops and Steps

11-2-1. Observation: Stoops or steps have settled, heaved, or separated from the house structure.

Performance Guideline: Stoops and steps shall not settle, heave in excess of 1 inch, or separate in excess of 1 inch from the house structure.

Corrective Measure: The contractor will take whatever corrective action is required to meet the performance guideline.

11-2-2 Observation: Water remains on stoops or steps after rain has stopped.

Performance Guideline: Water shall drain off outdoor stoops and steps. Minor amounts of water can be expected to remain on stoops and steps for up to 24 hours after rain.

Corrective Measure: The contractor will take corrective action to ensure proper drainage of stoops and steps.

Garage

11-3-1 Observation: The garage floor slab is cracked.

Performance Guideline: Cracks in concrete garage floor greater than 3/16-inch in width or 1/8-inch in vertical displacement are unacceptable.

Corrective Measure: The contractor shall repair to meet the performance guideline.

Discussion: Proper repair can be affected by thoroughly cleaning, filling, and troweling the surface using latex-fortified cement mixture or other materials designed to fill cracks and bond concrete.

11-3-2. Observation: Garage concrete floor has settled, heaved, or separated.

Performance Guideline: The garage floor shall not settle or heave in excess of 1 inch, or separate in excess of 1 inch from the structure.

Corrective Measure: The contractor will take whatever corrective action is required to meet the performance guideline.

Discussion: The repaired area may not match the existing floor in color and texture.

11-3-3 Observation: Garage doors fail to operate properly under normal use.

Performance Guideline: Garage doors shall operate properly.
Corrective Measure: The contractor will correct or adjust garage doors as required, except where the owner's actions or negligence caused the problem.

Discussion: The contractor is not responsible for the door operation if the owner has installed a garage door opener.

11-3-4 Observation: Garage doors allow the entry of snow or water.

Performance Guideline: Garage doors shall be installed as recommended by the manufacturer. Some snow or water can be expected to enter under normal conditions.

Corrective Measure: The contractor will adjust or correct the garage doors to meet the manufacturer's installation instructions.

Driveways and Sidewalks

11-4-1. Observation: Asphalt driveway develops cracks.

Performance Guideline: This is a normal condition.

Corrective Measure: None.

11-4-2 Observation: Standing water is observed on an asphalt pavement surface.

Performance Guideline: Standing water greater than1/8-inch in depth shall not remain on the surface 24 hours after a rain. It is not unusual to have some standing water after heavy rains.
Corrective Measure: The contractor shall repair or replace the affected area to meet the guideline if the warranty covers the driveway. Patched areas will generally be noticeable and not blend in with the rest of the driveway.

11-4-3 Observation: Exterior concrete flat work is pitting or spalling. Pitting is evidenced by concrete that has flaked or peeled from the outer surface. Spalling is evidenced by concrete that has chipped.

Performance Guideline: Exterior concrete surfaces shall not pit, spall or disintegrate. Aggregate pops are normal; minor scaling is not controllable at all.

Corrective Measure: The contractor will repair defective concrete surfaces using materials designed for this purpose. The contractor is not responsible for deterioration caused by salt, chemicals, mechanical implements, or other factors beyond the contractor's control.

11-5-1 Observation: A wood deck is springy or shaky.

Performance Guideline: All structural members in a wood deck shall be sized, and fasteners spaced, according to appropriate building codes and manufacturers' instructions.

Corrective Measure: The contractor will reinforce or modify, as necessary, any wood deck not meeting the performance guidelines.
Discussion: Deflection may indicate insufficient stiffness in the lumber, or may reflect an aesthetic consideration independent of the strength and safety requirements of the lumber. Structural members are required to meet standards for both stiffness and strength. When an owner's preference is made known before construction, the contractor and the owner may agree upon a higher standard.

11-5-2 Observation: The spaces between decking Boards are not uniform.

Performance Guideline: The spaces on opposite sides of individual deck Boards shall not differ in average width by more than 3/16-inch at the time of substantial completion of the project, unless otherwise agreed upon by the owner and the contractor.

Corrective Measure: One time only, the contractor will realign or replace decking Boards to meet the performance guideline.

Discussion: The spaces will naturally tend to change over time because of shrinkage and expansion of individual Boards. The contractor is only responsible for correct spacing at the time of substantial completion of the project.

11-5-3 Observation: The railings on wood decking contain slivers in exposed areas.

Performance Guideline: Railings on wood decks shall not contain slivers longer than 1/8-inch in exposed areas at the time of substantial completion of the project.
Corrective Measure: One time only; the contractor will repair railings as necessary to remove slivers prior to substantial completion of the project. Repair of slivers after that time is an owner maintenance responsibility.

Discussion: Slivers can develop when unprotected wood weathers. The proper finishing of wood surfaces helps prevent slivers from forming.

11-5-4 Observation: A wood deck is out of level.

Performance Guideline: No point on the deck surface shall be more than l/2-inch higher or lower than any other deck surface point within 10 feet on a line parallel to the house, or in proportional multiples of the preceding dimensions (unless a slope is incorporated in the design). Remodeling Specific: The owner and contractor may agree to intentionally build a wood deck out of level in order to match or compensate for inaccuracies in the existing structure.

Corrective Measure: The contractor will repair the deck as necessary to meet the performance guideline.

Discussion: A slope of approximately l/8-inch per foot is desirable in the perpendicular direction to shed water and prevent ice build-up.

11-5-5 Observation: Wood decking Boards are split, warped, or cupped.

Performance Guideline: At the time of substantial completion of the project, splits, warps, and cups in wood decking Boards shall not exceed the allowances established by the official grading rules issued by the agency responsible for the lumber species specified for the deck Boards.

Corrective Measure: The contractor will replace decking Boards as necessary to meet the performance guidelines

11-5-6 Observation: A wood deck has stain color variations.

Performance Guideline: Stain color variations are not acceptable if they result from improper stain application or failure to mix the stain properly. Stain color variations resulting from other causes-such as weathering or varying porosity of the wood used to build the deck-are common and are not covered by this guideline.

Corrective Measure: The contractor will restain the affected area to meet the performance guideline.

11-5-7 Observation: A nail head protrudes from a wood decking Board.

Performance Guideline: Nail heads shall not protrude from the floor of the wood deck at the time of substantial completion of the project.

Corrective Measure: The contractor will refasten nails whose heads protrude from the floor of the deck so that the heads are flush with the surface.

Discussion: Nails should be driven flush when the deck is installed, but they may pop from the deck over time as the wood shrinks and expands.

11-5-8 Observation: Nails on a wood deck are "bleeding."

Performance Guideline: Nail stains extending more than 1/2-inch from the nail and readily visible from a distance of more than 3 feet are not acceptable.

Corrective Measure: The contractor will eliminate nail stains to meet the performance guideline.

Discussion: This guideline does not apply if "natural weathering" or semi-transparent stains are specified.

11-5-9 Observation: A wood deck railing lacks rigidity.

Performance Guideline: Wood deck railings shall be attached to structural members in accordance with applicable building codes.

Corrective Measure: The contractor will repair wood deck railings as necessary to comply with applicable building codes.

Landscaping
Coverage 1st Year Only, Workmanship and Materials

Note: Moving or protecting Plants, trees, shrubs, and any other landscaping items prior to and during construction are the responsibility of the owner and must be dealt with before construction begins. Other handling of these items must be specified in the contract to designate the responsible party.

12-0-1 Observation: Tree stumps have been left in a disturbed area of the property.

Performance Guideline: If tree stumps were on the property in the disturbed area prior to the substantial completion of the project, the contractor is responsible for their removal.

Corrective Measure: The contractor will remove the stumps from the area.

12-0-2 Observation: Dead shrubs, Plants, trees, or sod Planted in disturbed area of property.

Performance Guideline: Any shrub, Plant, tree, or sod Planted by the contractor as part of the landscape package that are alive as of the acceptance of the project and die after that acceptance are not the responsibility of the contractor.

Corrective Measure: None.

12-0-3 Observation: Grass seed does not germinate.

Performance Guideline: Germination is dependent on certain climatic conditions, which are beyond the contractor's control.

Corrective Measure: The contractor is only responsible for seeding per the supplier's instructions.

Discussion: After installation, proper lawn and landscape care are the owner's responsibility.

12-0-4 Observation: Outdoor Plants moved during work die after substantial completion of the project.
Performance Guideline: Plants that must be physically transported during the work shall be moved, maintained, and replanted by the owner.

Corrective Measure: No action is required of the contractor.

Discussion: The contractor shall not be responsible for delays in the schedule when Plants are moved by the owner.

Systems: First and Second Years
Plumbing System
Coverage 1st and 2nd Year, Systems

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

Water Supply System

13-1-1 Observation: The water supply system fails to deliver water.

Performance Guideline: All on-site service connections to the municipal water main or private water supply are the responsibility of the contractor. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair the water supply system if the failure results from improper installation or failure of materials and if the connections are a part of the construction agreement. Conditions beyond the control of the contractor that disrupt or eliminate the water supply are not covered.

13-1-2 Observation: Pipes leak.

Performance Guidelines: No leaks of any kind shall exist in any soil, waste, vent, or water pipe.

Corrective Measure: The contractor will make repairs to eliminate leakage.

13-1-3 Observation: Water in plumbing pipes freezes, and the pipes burst.

Performance Guideline: Drain, waste, vent, and water pipes shall be adequately protected to prevent freezing as required by the applicable plumbing code for normally anticipated cold weather and in accordance with the de-sign temperatures established by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE). Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will correct situations not meeting the applicable code. The owner is responsible for draining or otherwise protecting pipes and exterior faucets exposed to freezing temperatures.

Discussion: Leaks occurring due to owner’s neglect and consequential damage are not contractor’s responsibility. The owner is responsible to maintain suitable temperature in the home to prevent pipes from freezing and bursting.

Homes which are periodically occupied such as summer homes, or where there will be no occupancy for an extended period of time must be properly winterized or periodically checked to insure that a reasonable temperature is maintained.

Sanitary Sewer or Septic System
Coverage 1st and 2nd Year, Systems

13-2-1 Observation: Septic system fails to operate properly.

Performance Guideline: Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable, approved code requirements.

Corrective Measure: Contractor will repair, or otherwise correct, a malfunctioning or non-operating system, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the builder or contractors or subcontractors under the contractor's control. Contractor will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or other owner's contractors, not under the control of the contractor, including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage, or changes, to the septic system installation or surrounding soil conditions critical to the system's functioning.

13-2-2 Observation: Sewers, fixtures, or drains are clogged.

Performance Guideline: Sewers, fixtures, and drains shall drain. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will not be responsible for sewers, fixtures, and drains that are clogged because of the owner's actions or negligence. If a problem occurs, the owner should consult the contractor for corrective action. If defective installation is the cause, the contractor is responsible for correcting the problem. If the owner's actions or negligence is the cause, the owner is responsible for correcting the problem.

Discussion: With respect to septic systems, owner actions that constitute negligence under this guideline include but are not limited to the following:

- Connection of sump pump, roof drains, or backwash from a water conditioner into the system.
- Placement of no biodegradable items into the system.
- Use of a food waste disposer not supplied or approved by the contractor the contractor.
- Placement of surfaces not permeable to water over the disposal area of the systems.
- Allowing vehicles to drive or park over the disposal area of the system.
- Failure to pump out the septic tank periodically, as required.
- Use, which exceeds the system's design standards.

Heating, Ventilating and Air Conditioning (HVAC) System
Coverage 1st and 2nd Year, Systems

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

Heating System

14-1-1 Observation: The heating system is inadequate.

Performance Guideline: The heating system shall 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, outdoor winter design conditions as specified in the ASHRAE Handbook: Fundamentals. National, state, or local energy codes shall supersede this performance guideline where such codes have been locally adopted. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will correct the heating system to provide the required temperature in accordance with the performance guideline or applicable code specifications. The contractor will re-balance a warm air system once during the first heating season. However, the owner will be responsible for balancing the system thereafter and for adjusting dampers and registers and for making other minor adjustments.

Discussion: For new living spaces created by remodeling jobs, heating guidelines may not apply to areas where living space has been created without resizing the HVAC system.

Central Air-Conditioning System

14-2-1 Observation: Cooling of rooms is inadequate.

Performance Guideline: If air-conditioning is installed by the contractor, 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 outdoor summer design conditions as specified in the ASHRAE Handbook: Fundamentals. In the case of outside temperatures exceeding 95 degrees Fahrenheit, the system shall keep the inside temperature 15 degrees Fahrenheit cooler than the outside temperature. National, state, or local codes shall supersede this guideline where such codes have been locally adopted. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will correct the cooling system to provide the required temperature in accordance with the performance guideline or applicable code specifications. The contractor will re-balance an air-conditioning system once during the first cooling season. However, the owner will be responsible for balancing the system thereafter and for adjusting dampers and registers and for making other minor adjustments.

Discussion: For new living spaces created by remodeling jobs, heating guidelines may not apply to areas where living space has been created without resizing the HVAC system.

14-2-2 Observation: There is a refrigerant leak.

Performance Guideline: Refrigerant lines and fittings shall not leak during normal operation. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair leaking refrigerant lines and recharge the air-conditioning Unit unless the damage was caused by the owner's actions or negligence.

Ventilation System
Coverage 1st and 2nd Year, Systems

14-3-1 Observation: The ductwork is separated or detached.

Performance Guideline: Ductwork shall remain intact and securely fastened. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will reattach and secure all separated or unattached ductwork.

14-3-2 Observation: The ductwork makes noises.

Performance Guideline: Ductwork will be constructed and installed in accordance with applicable mechanical code requirements. When metal is heated, it expands, and when cooled, it contracts. The resulting “ticking” or “crackling”

sounds generally are to be expected and do not constitute a defect. Remodeling Specific: See Note at beginning of chapter.
Corrective Measure: Unless the duct is not in compliance with the local code, no corrective action is required.

14-3-3 Observation: The ductwork produces excessively loud noises commonly known as "oil canning."

Performance Guideline: The stiffening of the ductwork and the thickness of the metal used shall be such that ducts do not "oil can." The booming noise caused by oil canning is considered unacceptable. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will correct the ductwork to eliminate noise caused by oil canning.

14-3-4 Observation: The air handler or furnace vibrates.

Performance Guideline: These items shall be installed in accordance with the manufacturer's instructions and applicable codes. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: If installed incorrectly; the contractor will correct the items according to the manufacturer's instructions and code requirements.

Discussion: Under certain conditions some vibrating may be experienced with the normal flow of air, even when air handlers and furnaces are installed correctly. See the manufacturer's instructions.

Electrical System
Coverage 1st and 2nd Year, Systems

Note: Remodeling Specific: The contractor is responsible only for areas of the property worked on and specified in the contract, and not for the entire house.

15-1-1 Observation: Wiring fails to carry its designed load.

Performance Guideline: Wiring shall be capable of carrying the designed load for normal residential use. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will verify that wiring conforms to applicable electrical code requirements. The contractor will repair wiring not conforming to code.

15-1-2 Observation: Electrical outlets, switches, or fixtures malfunction.

Performance Guideline: All electrical outlets, switches, and fixtures shall operate as designed. Remodeling Specific: See Note at beginning of chapter.

Corrective Measure: The contractor will repair or replace malfunctioning electrical outlets, switches, and fixtures, if supplied and installed by the contractor.

Major Structure
Coverage through 6th Year, Material Defects

Load-Bearing Portions of the Home

16-1-1 Observation: The failure of any of the following load bearing portions of the home: foundation systems and footings, beams, girders, lintels, columns, structural walls and partitions, floor systems, and roof framing systems. (Note: load-bearing portions do not include, for example: roofing and sheathing, drywall and plaster, exterior siding, brick or stone or stucco veneer, floor covering material, 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 systems, plumbing systems, heating or cooling systems, ventilation systems, appliances, fixtures and items of equipment, paint, doors and windows, trim, cabinets, hardware or insulation.)

Performance Guideline: The failure of these load-bearing portions of the home shall not affect their load bearing functions, making the home unsafe, unsanitary or unlivable.

Corrective Measure: The contractor will repair or replace the defective item(s), or will pay the owner the reasonable cost of such repair or replacement. The contractor's total liability is limited to the amount specified in the Limited Warranty. The choice as to repair, replacement or payment is solely that of the contractor.

Repair of defective item(s) is limited to (1) the repair of damage to the load-bearing portions of the home, which are necessary to restore their load-bearing function; and (2) the repair of those items of the home damaged by the material defect, which make the home unsafe, unsanitary or otherwise unlivable.

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GLOSSARY OF COMMMON TERMS

AFCI (ARC FAULT CIRCUIT INTERRUPTER) – A TYPE OF CIRCUIT BREAKER THAT IS DESIGNED TO REDUCE THE LIKELIHOOD OF FIRE CAUSED BY ELECTRICAL ARCING FAULTS.

BEAM – A STRUCTURAL MEMBER THAT TRANSVERSELY SUPPORTS A LOAD.

BIFOLD DOORS – DOORS THAT ARE HINGED AT THE CENTER AND GUIDED BY AN OVERHEAD TRACK.

BLOCKING – A SOLID, TIGHT CLOSURE USED BETWEEN FRAMING MEMBERS.

BREAKLINE – A DIVIDING POINT BETWEEN TWO OR MORE SURFACES.

BRICK VENEER – A NON-STRUCTURAL OUTER COVERING OF BRICK.

BRIDGING – WOOD OR METAL STRUCTURAL MEMBERS BETWEEN HORIZONTAL (JOISTS) OR VERTICAL (STUDS) FRAMING THAT PROVIDE LATERAL RIGIDITY TO THE MEMBERS TO WHICH APPLIED.

BUG HOLES – PITS, SURFACE VOIDS, AND SIMILAR IMPERFECTIONS IN A CONCRETE WALL. BUG HOLES GENERALLY ARE UP TO 1 INCH WIDE OR DEEP.

CANTILEVER – CONSTRUCTION THAT IS UNSUPPORTED AT ONE END AND THAT PROJECTS OUTWARD FROM THE SITE OF THE STRUCTURE TO CARRY LOADS FROM ABOVE OR BELOW.

CEILING JOIST – THE HORIZONTAL STRUCTURAL MEMBERS TO WHICH THE CEILING IS FASTENED. SOME MEMBERS MAY SUPPORT A FLOOR ABOVE.

CHECKING – CRACKS IN WOOD.

CHIMNEY CAP – A METAL OR MASONRY SURFACE THAT COVERS THE TOP PORTION OF A CHIMNEY THAT PREVENTS THE PENETRATION OF WATER.

CIRCUIT – THE COMPLETE PATH OF ELECTRICITY AWAY FROM AND BACK TO ITS SOURCE.

CIRCUIT BREAKER – A DEVICE THAT AUTOMATICALLY INTERRUPTS AN ELECTRICAL CIRCUIT WHEN IT BECOMES OVERLOADED.

COLD JOINT – A JOINT IN POURED CONCRETE THAT INDICATES WHERE THE POUR TERMINATED AND CONTINUED.

CONTROL JOINT – A JOINT THAT IS MOLDED OR CUT IN CONCRETE TO ALLOW FOR EXPANSION AND CONTRACTION AND TO ATTEMPT TO CONTROL RANDOM CRACKING.

CORNER BEAD – A STRIP OF WOOD OR METAL FASTENED OVER A CORNER FOR PROTECTION.

CRAWL SPACE – AN AREA UNDER A HOME WHICH IS NOT A BASEMENT OR CELLAR.

DAMPER – A DEVICE USED TO REGULATE DRAFT IN A FURNACE OR FIREPLACE CHIMNEY.

DEAD SPOTS – AREAS BELOW A CARPETED SURFACE WHERE PADDING APPEARS TO BE MISSING OR IMPROPERLY INSTALLED.

DEFLECTION – THE AMOUNT A TRUSS OR BEAM BENDS UNDER A LOAD.

DEW POINT – **THE TEMPERATURE AT WHICH MOISTURE IN THE AIR CONDENSES INTO DROPS.**

DISTURBED AREA – **ANY AREA ADJACENT TO A DWELLING WHERE ORIGINAL VEGETATION HAS BEEN ALTERED OR REMOVED.**

DOWNSPOUT – **A PIPE THAT CARRIES RAINWATER FROM THE ROOF TO THE GROUND OR TO A SEWER CONNECTION.**

DRYWALL – GYPSUM WALLBOARD.

DUCT – A ROUND OR RECTANGULAR PIPE USED TO TRANSMIT AND DISTRIBUTE WARM OR COOL AIR FROM A CENTRAL HEATING OR COOLING UNIT.

EAVE – THE LOWER OR OUTER EDGE OF A ROOF THAT PROJECTS OVER THE SIDE WALLS OF A STRUCTURE.

EFFLORESCENCE – A WHITE POWDER THAT APPEARS ON THE SURFACE OF MASONRY WALLS. IT IS USUALLY CAUSED BY MOISTURE REACTING WITH THE SOLUBLE SALTS IN CONCRETE AND FORMING HARMLESS CARBONATE COMPOUNDS.

FINISH FLOORING – THE TOP FLOORING MATERIAL THAT COVERS THE SUBFLOORING SURFACE; USUALLY CARPETING, HARDWOOD, TILE, VINYL, ETC.

FLASHING – STRIPS OF METAL OR PLASTIC MATERIAL USED TO PREVENT MOISTURE FROM ENTERING ROOFS, WALLS, WINDOWS, DOORS, AND FOUNDATIONS.

FLOOR JOIST – A HORIZONTAL FRAMING MEMBER TO WHICH FLOORING IS ATTACHED.

FOOTING – A FLANGE-LIKE PART AT THE BASE OF A FOUNDATION WALL WHICH TIES AND DISTRIBUTES LOADS FROM THE FOUNDATION INTO THE GROUND AND PREVENTS SHIFTING AND SETTLING.

FOUNDATION – THAT PART OF A BUILDING WHICH IS BELOW THE SURFACE OF THE GROUND AND ON WHICH THE SUPERSTRUCTURE RESTS.

FROST LIFT – A CONDITION CAUSED BY WATER FREEZING AND CAUSING SOIL TO EXPAND, WHICH CAN CAUSE TWO OVERLYING, ADJOINING SURFACES TO SEPARATE FROM EACH OTHER. FROST LIFT SOMETIMES OCCURS AT THE JUNCTION OF A GARAGE FLOOR AND DRIVEWAY.

GFCI (GROUND FAULT CIRCUIT INTERRUPTER) – A TYPE OF CIRCUIT BREAKER THAT IS EXTREMELY SENSITIVE TO MOISTURE AND CHANGES IN RESISTANCE TO AN ELECTRICAL CURRENT FLOW. A GFCI PROTECTS AGAINST ELECTRICAL SHOCK OR DAMAGE.

GYPSUM – HYDROUS CALCIUM SULPHATE MINERAL ROCK.

GYPSUM WALLBOARD – SEE "DRYWALL."

HARDBOARD – A WOOD FIBER PANEL WITH A DENSITY RANGE OF 50 TO 80 POUNDS PER CUBIC FOOT. IT IS MADE OF WOOD FIBERS PRESSED INTO SOLID BOARDS BY HEAT AND PRESSURE.

HARDWOOD – A TERM USED TO DESIGNATE WOOD FROM DECIDUOUS TREES (WHICH LOSE THEIR LEAVES ANNUALLY).

HEADER – A STRUCTURAL MEMBER PLACED ACROSS THE TOP OF AN OPENING TO SUPPORT LOADS ABOVE.

HINGE-BOUND – A CONDITION OF A PASSAGE OR ENTRY DOOR WHERE HINGE FUNCTION IMPEDES PROPER OPERATION.

HOLIDAYS – VOIDS OR INCONSISTENCIES IN A FINISHED SURFACE.

HONEYCOMB – VOIDS IN A CONCRETE WALL THAT ARE LARGER THAN BUG HOLES (SEE "BUG HOLES").

HVAC – THE ABBREVIATION FOR HEATING, VENTILATING, AND AIR CONDITIONING SYSTEMS.

JAMB – THE SIDE FRAMING OR FINISH MATERIAL OF A WINDOW, DOOR, OR OTHER OPENING.

JOIST – AN ON-EDGE-HORIZONTAL LUMBER MEMBER, SUCH AS A 2X6, 2X8, 2X10, OR 2X12, WHICH SPANS FROM WALL TO WALL OR BEAM TO PROVIDE MAIN SUPPORT FOR FLOORING, CEILING, OR ROOFING SYSTEMS.

JUNCTION BOX – A BOX THAT FORMS JUNCTIONS BETWEEN SECTIONS OF HOUSE WIRING.

LATH – ANY MATERIAL USED AS A BASE FOR PLASTERING OR STUCCO SURFACING.

LIPPAGE – THE DIFFERENCE IN SURFACE ALIGNMENT BETWEEN TWO MATERIALS.

MORTAR – AN ADHESIVE AND LEVELING MATERIAL USED IN BRICKWORK, STONE, BLOCK, AND SIMILAR MASONRY CONSTRUCTION.

MUNTINS – STRIPS OF WOOD, METAL, OR PLASTIC THAT DIVIDE A WINDOW INTO PANES. MUNTINS CAN BE INSTALLED WITHIN TWO PIECES OF GLASS OR ON THE SURFACE OF THE GLASS.

PARGING – A ROUGH COAT OF MORTAR APPLIED OVER A MASONRY WALL.

PITCH – THE DEGREE OF INCLINE IN A SLOPED ROOF OR STRUCTURE.

PLUMB – A MEASUREMENT OF TRUE VERTICAL.

RAFTER – STRUCTURAL MEMBERS WHICH SHAPE AND FORM THE SUPPORT FOR THE ROOF DECK AND THE ROOF COVERING.

RAVELING – A CONDITION IN WHICH AGGREGATE IS LOOSE FROM ASPHALT PAVEMENT.

REGISTER – A LOUVERED DEVICE THAT ALLOWS AIR TRAVEL FROM THE DUCTS INTO A ROOM.

RISER (STAIRWAY) – A VERTICAL STAIR MEMBER THAT SUPPORTS A TREAD.

RISER (PLUMBING) – A WATER PIPE THAT EXTENDS VERTICALLY ONE FULL STORY OR MORE TO CONVEY WATER TO BRANCHES OR TO A GROUP OF FIXTURES.

ROOF RIDGE – THE APEX OF A ROOF SYSTEM.

SCALING – THE FLAKING OR PEELING AWAY OF A SURFACE PORTION OF HARDENED CONCRETE.

SETTING – THE DRIVING OF A FASTENER FLUSH OR BELOW THE SURFACE OF A MATERIAL.

SHAKES – SPLIT WOODEN SHINGLES THAT ARE RANDOM IN THICKNESS.

SHEATHING – THE APPLICATION OF PANELS TO THE FACE OF FRAMING MEMBERS. ALSO KNOWN AS "DECKING."

SHIM – A THIN, TAPERED PIECE OF MATERIAL (USUALLY WOOD) THAT IS USED TO ADJUST OR PROVIDE SUPPORT FOR A MEMBER.

SILL – A FRAMING MEMBER PLACED ON TOP OF AND AROUND A FOUNDATION TO SERVE AS A LEVEL BASE ON WHICH TO SUPPORT EXTERIOR WALL STUDS.

SLAB – A CONCRETE FLOOR/SURFACE.

SOFFITT – THE ENCLOSED UNDER SURFACE OF AN EAVE.

SPALLING – THE BREAKING AWAY OF A SMALL PIECE OF CONCRETE.

STAIR SKIRT – A FINISHING BOARD THAT MAY COVER THE OUTSIDE STAIRCASE EDGE.

STUD – A VERTICAL FRAMING MEMBERS.

SUBFLOORING – A FLOOR DECKING MATERIAL LAID ON TOP OF THE FLOOR JOISTS.

SUBSTANTIAL COMPLETION OF THE PROJECT – A PROJECT HAS MET SUBSTANTIAL COMPLETION WHERE THE AREAS ARE FUNCTIONAL FOR THEIR INTENDED USE AS STATED BY THE CONTRACT (EXCEPT FOR ITEMS NOTED PRIOR TO FINAL PRESENTATION), AND CLEAN-UP ON THE SITE HAS BEEN COMPLETED.

SUMP PUMP – A PUMP THAT IS INSTALLED IN A CRAWL SPACE, BASEMENT, OR OTHER LOW AREA TO DISCHARGE WATER THAT MIGHT COLLECT.

SWALE – A SHALLOW DEPRESSION IN THE GROUND THAT IS USED AS A DRAINWAY FOR WATER.

TELEGRAPHING – A CONDITION OF A SUBSURFACE PROJECTING THROUGH THE FINISH MATERIAL.

TREAD – A HORIZONTAL STAIR MEMBER. A TREAD IS THE PART YOU STEP ON WHEN WALKING UP OR DOWN STAIRS.

TRUSS – AN ENGINEERED ASSEMBLY OF WOOD OR METAL COMPONENTS THAT GENERALLY IS USED TO SUPPORT ROOFS OR FLOORS.

VAPOR RETARDER – PLASTIC FILM OR OTHER MATERIAL USED TO LIMIT THE AMOUNT OF MOISTURE VAPOR THAT PASSES THROUGH A MATERIAL OR WALL ASSEMBLY.

WARRANTY PERIOD – THE DURATION OF THE APPLICABLE WARRANTY PROVIDED BY THE CONTRACTOR OR ANY OTHER PERIOD AGREED TO BY THE PARTIES.

WEATHER STRIPPING – MATERIAL PLACED AROUND DOORS, WINDOWS, AND OTHER OPENINGS TO PREVENT THE INFILTRATION OF AIR, DUST, RAIN, ETC.

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DECLARATION OF CONDOMINIUM

PART II,
SECTION "LL"

Declaration

Establishing a Plan of Condominium
Ownership of Premises Located at
368 & 372 92nd Street,
City of New York, County of Kings, State of New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name: **The 368 & 372 92nd Street Condominium**

Sponsor: **368 Dev LLC**
7909 10th Avenue,
Brooklyn, New York 11228

Date of Declaration: _____ ___, 202___

Section Number:

Block Number: Block 6103

Lot Numbers: FKN: Lots 27 & 28
NKA:

County of Kings

Record and Return To:

ROSEN LAW LLC
216 Lakeville Road
Great Neck, New York 11020

LL. DECLARATION OF CONDOMINIUM

Article Description

1. Submission of Property
2. Area and Location of Land
3. Description of the Building
4. Name of Condominium
5. Units
6. Definitions
7. Use of Building and Units
8. Common Elements
9. Determination of Percentages in Common Elements
10. Encroachments
11. Easements
12. Power of Attorney to Board of Managers
13. Acquisition of Units by Board of Managers
14. Person to Receive Service of Process
15. Amendment of Declaration
16. Changes in the Sponsor-Owned Units
17. Covenants Running with the Land
18. Covenant of Further Assurances
19. Successors and Assigns
20. Termination of Condominium
21. Definition of "Sponsor-designee", "Sponsor-affiliate"
22. Invalidity
23. Waiver
24. Captions
25. Gender
26. General

Schedule A – Property Description

Schedule B – Unit Descriptions

Declaration
of
The 368 & 372 92nd Street Condominium
Pursuant to Article 9-B of the
Real Property Law of the State of New York

Declaration Establishing a Plan for Condominium Ownership of Premises to be known as The 368 & 372 92nd Street Condominium located in the County of Kings, City and State of New York, Pursuant to Article 9-B of the Real Property Law of the State of New York.

368 Dev LLC, a Limited Liability Company organized and existing under the laws of the State of New York, whose principal office is situated at 7909 10th Avenue, Brooklyn, New York 11228, hereinafter referred to as "the Sponsor," does hereby declares as follows:

Article 1. – Submission of Property.

The Sponsor is the fee owner of the Land, Building and Improvements described on Schedule "A" attached hereto (the "Property") and all other property, real, personal or mixed, intended for use in connection therewith and submits to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), and pursuant thereto does hereby establish a Condominium to be known as "The 368 & 372 92nd Street Condominium" (sometimes referred to as the "Condominium").

Sponsor retains all air rights and transferable development rights ("Air Rights") benefitting or encumbering the property on which the Condominium is being constructed which Air Rights can be transferred to adjoining buildings and/or buildings located in another part of New York City if zoning laws permit. Sponsor may not use these rights to increase the size of the condominium building. Sponsor's retention of the Air Rights may be transferred to adjoining buildings and that the transfer of the Air Rights may have an impact on light and view. The Condominium shall not be entitled to receive any compensation for the sale or transfer of any development rights or air rights on the Property.

Article 2. – Area and Location of Land.

The land consists of all that certain tract, plot, piece and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described in Schedule "A" annexed hereto and made a part hereof, together with all easements, rights, privileges, and hereditaments appurtenant thereto (collectively sometimes herein referred to as the "Land"). The Land is owned by the Sponsor in fee simple.

The building is located at 368 & 372 92nd Street, Brooklyn, New York, and known on the City of New York, County of Kings, Tax Map as parcel: Block 6103, Lots 27 & 28 will become new Lots, whereby each Condominium Unit will be an individual lot number.

Article 3. – Description of the Building.

There are two (2) newly constructed buildings, containing two (2) stories consisting of a cellar, first, second and attic floor, which will contain four (4) Residential Condominium Units. There is no elevator in Condominium Building.

The structure is of non-combustible construction. The class of construction is Class IIIA as per Table 601 of the 2022 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of one hour. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of one hour.

Article 4. – Name of Condominium.

The Condominium shall be known as "The 368 & 372 92nd Street Condominium". Sponsor shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right, for so long as the Property is a Condominium, to maintain a plaque identifying Sponsor, or any of its affiliates, as the Sponsor of the Condominium offering, together with such other information as Sponsor determines in its sole discretion.

For so long as Declarant owns any Units in the Building, Declarant shall own and control all rights and interests appurtenant to the name of the Condominium and/or the Building. For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building.

Article 5. – Units.

List and Description.

Annexed hereto and made part hereof as Exhibit B is a list of all Condominium Units, their designations and tax lot numbers, locations, approximate areas, number of rooms in each Unit, Common Elements to which each has immediate access all as shown on the Floor Plans of the Building, certified by Paul Lombardi, R.A., ("The Floor Plans"), intended to be filed in the Office of the Register of the City of New York simultaneously with the recording of this Declaration, and the percentage of interest of each Unit in the Common Elements. The location of the Building is shown on the site Plan intended to be filed in the said Office of the Register of the City of New York, County of Kings, as part of this Declaration.

Dimensions.

In addition to the meaning prescribed to it in Article 9-B of the Real Property law of the State of New York, a "Condominium Unit" as hereinafter referred to shall be defined as follows:

Each Condominium Unit consists of the area as measured as follows: (a) horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces) and (b) vertically from the top of the rough floor to the underside of the rough ceiling.

Doors and windows which open from a Unit and interior walls of a Unit shall be deemed to be part of the 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 finally set forth in the certified “as built” Floor Plans to be filed simultaneously with the recording of the declaration. All dimensions set forth on the Plans are approximate and may vary from floor to floor and Unit to Unit.

Each Unit includes, and each Unit Owner shall be responsible for the Unit side of the front entrance door and any other entrance doors to the Unit, the interior walls, partitions, floors and floor coverings and plastered ceilings affixed, attached or appurtenant to the Unit, smoke detectors, carbon monoxide detectors, window panes, all plumbing, and heating fixtures and air conditioning equipment and equipment such as refrigerators, dishwashers, heating, ventilating and heating / air conditioning Units (including the fans inside the Units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets, and all other facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, and heating fixtures and equipment as used in the preceding sentence shall include exposed water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include, water or other pipes, conduits, wires or ductwork within the walls, ceilings or floors (unless installed by Unit Owner). Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit.

Any Common Elements located within a Unit shall not be considered a part of such Unit.

Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, subject to the provisions of the By-Laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surface of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and (with respect to Residential Condominium Units, to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like), provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

Article 6. – Definitions.

"Appurtenant Interest" shall mean with respect to any Unit, the undivided interest of the owner thereof, pursuant to Section 339-x of the Condominium Act.

"Assessments" shall mean the charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws).

"Board" or "Board of Managers" or "Condominium Board" shall mean the Board of Managers of the Condominium which is the overall governing body of the Condominium which represents all the Unit Owners and Managers the Condominium pursuant to the provisions of the Declaration, By-Laws, and of the Plan.

"Building" or "Condominium Building" shall mean the building structure known by the address 368 & 372 92nd Street, Brooklyn, County of Kings, City and State of New York which is located on the Land, in which the Condominium will be located.

"Building Department" or "Department of Buildings" shall mean the New York City Department of Buildings or any successor agency.

"By-Laws" shall mean the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

"Closing" or **"Closing of Title"** shall mean the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" shall mean be the date upon which a Closing occurs.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Common Charges" shall mean any charges allocated and/or assessed by the Condominium Board against any Unit Owner and/or each Unit's proportionate share of the Common Expenses in accordance with its common interest.

"Common Elements" shall mean all portions of the Condominium other than the Units, including, without limitation, the land, roofs (except roof terraces, if any, which are limited common element), walls and structural elements of the building, windows, vestibules, staircases, bulkheads, drywells, sprinkler mechanical room, electric meter room, entrance hall, planted / landscaping area, roofs, and certain other portions of the building to be set aside for common use.

"Common Expense" shall mean all costs and expenses incurred or paid generally by the Board in connection with the operation of the Condominium, which pursuant to the Plan, the Declaration and the By-Laws, are, except as set forth in the Plan and the Condominium By-Laws, to be paid by the Unit Owners in proportion to their Common Interest, as summarized in "Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws" and as more fully described in the Declaration and the By-Laws.

"Common Interest" shall mean the proportionate undivided interest each expressed as a numerical percentage in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Schedule B annexed to the Declaration.

"Condominium" shall mean The 368 & 372 92nd Street Condominium which is established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws and is composed of the Unit Owners.

"Condominium Act" shall mean Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

"Condominium Board" shall mean the Board of Managers of the Condominium who will manage the affairs the Condominium.

"Condominium Documents" shall mean collectively this Plan, the Declaration, the By-Laws and the Rules and Regulations thereunder, as the same may be amended from time to time.

"Condominium Unit" or "Residential Unit" or "Residential Condominium Unit" shall mean a Unit of residential housing now or hereafter situated on the property. A Residential Unit is equivalent to the term "Unit" as the same is used in Article 9-B of the Real Property Law. A Residential Unit shall be used for residential purposes only, including home occupancy, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory", "bed and breakfast" or other transient hotel-type entity. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Certificate of Occupancy covering the Building and the Condominium Board, in its sole discretion, grants permission for such use.

"Declaration" or "Declaration of Condominium" shall mean the instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time amended, consistent with the provisions of the Condominium Act and of the By-Laws.

"Department of Law" shall mean the Real Estate Financing Bureau of the New York State Department of Law, 28 Liberty Street, New York, New York 10005.

"Deposit" or "Down Payment" shall mean all deposits, down payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Description of Property, Specifications and Building Condition" shall mean the report contained in Part II of the Offering Plan prepared by a registered architect or professional engineer describing the Condominium property and specification and building condition of the Condominium Building.

"Designee" shall mean any individual or entity so designated in writing by a Unit Owner or Sponsor as the case may be authorized to make such designation.

"Effective Date" shall mean the date upon which Sponsor has declared the Offering Plan effective pursuant to the provisions of the General Business Law of the State of New York.

"Eligible Holder" shall mean a holder, insurer or guarantor of a first mortgage on a unit in a condominium.

"Equal or Better" shall mean comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Exhibits" shall mean collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property.

"Filing Date" shall mean the date that the Offering Plan or an amendment to the Offering Plans is or was accepted for filing by the New York State Department of Law.

"First Unit Closing" or **"First Closing"** shall mean the first date that title to a Condominium Unit is transferred to a Purchaser under the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". The First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the Floor Plans of the Units and Building certified to by a professional engineer or registered architect, to be filed with the Office of the City Register, simultaneously with the recording of the Declaration, together with any supplemental Floor Plans thereto, copies of which are reproduced in Part II of the Plan.

"GBL" or **"General Business Law"** shall mean the New York State General Business Law.

"Land" shall mean the parcel of land located in the Borough of Brooklyn, County of Kings on the Tax Map of the Real Property Assessment Department of the City of New York, as Block 6103, Lots 27 & 28 and more particularly described in Schedule A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City and County (where the Condominium is located) governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" shall mean, with respect to each Unit, those Common Elements, if any, which are so designated on the Floor Plans or in the Declaration and which serve or benefit exclusively some, but not all, of the Unit Owners and areas which are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers, or their designees to enter upon any restricted area for maintenance, repair and inspection of a Unit or Common Elements and subject to the rules of the Board of Managers. **Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element; Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.**

"**Majority" shall** mean a more than fifty percent (50%) in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters. Any specified percentage of Unit Owners means such percentage in Common Interest in the aggregate, as may be specified herein or in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters, provided, however that different percentages in interest and in number of Units may be so specified.

"Managing Agent" shall mean a person or entity employed by the Condominium Board to undertake and perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in the Bylaws.

"Notice of Closing" shall mean the notice that the Sponsor shall send to a Purchaser setting the date of the Closing.

"Offering Plan" shall mean the document filed with the New York State Department of Law and any and all amendments thereto which describes the Condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time.

"Operation of the Property" shall mean the administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

"Parking Space Condominium Unit" shall mean a parking space which is a separate condominium unit which shall be used for the parking of currently registered passenger automobiles, all of which must be validly registered with the Department of Motor Vehicles of any State of the United States of America. Parking Spaces may not be used to repair or work on any vehicle. All Parking Unit owners, including Sponsor in its role as an unsold Parking Unit owner, shall be responsible for: (i) all costs and expenses associated with the operation of the storage areas for the Parking Units, and (ii) the payment of any maintenance fees, license fees and/or Special Assessments imposed by the Condominium Board related to the Parking Units

"Parking Space Condominium Unit Owner" shall mean the owner of a Parking Space Condominium Unit.

"Party Wall" shall mean a wall which is common to and separates two or more Units.

"Permanent Certificate of Occupancy" or "Final Certificate of Occupancy" shall mean the Permanent Certificate of Occupancy issued or to be issued by the New York City Department of Buildings for the Building.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a mortgage placed on a Unit made to a bank, a trust company, an insurance company, a federal savings and loan association, a pension fund or other institutional lender, the Sponsor, a Sponsor-designee, or the Seller of the Unit.

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

"Person" shall mean a natural person, corporation, partnership, limited liability company, trust, trustee, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other legal entity.

"Plan" shall mean the Condominium Offering Plan for The 368 & 372 92nd Street Condominium promulgated by the Sponsor pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

"Plans and Specifications" shall mean the Plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Building Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Power of Attorney" shall mean the document signed by Unit Owners which (i) appoints the Board of Managers as attorney in fact to acquire on behalf of all Unit Owners, any Unit that the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interest thereto, and to deal with any such Units so acquired as they may determine and (ii) appoint the Sponsor, as attorney in fact, to amend the Declaration, the Bylaws, the Rules and Regulations of the Condominium, or any of said documents under certain conditions set forth in the Power of Attorney.

"Property" shall mean and includes collectively the Land and the Building, and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

"Purchase Agreement" shall mean the agreement to purchase a Unit pursuant to the Offering Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean a Purchaser of a Unit pursuant to a Purchase Agreement.

"Register's Offices" shall mean the Office of the Register of the City of New York.

"Rules and Regulations" shall mean the rules and regulations made in accordance with the By-Laws of the Condominium as the same may be amended from time to time, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the Bylaws.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A – Offering Prices of Units and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". Schedule B is sometimes referred to herein as the First Year's Budget.

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 – for Individual Energy Costs".

"Selling Agent" shall mean the Sponsor, or any Selling Agent named in the Plan or any successor Selling Agent at any time in question.

"Service Equipment" shall mean all of the following now or hereafter installed in the Building, serving one or more Units or the Limited Common Elements, if any, appurtenant thereto: (i) pipes, wires, ducts, risers, cables, conduits and (ii) mechanical, electrical and other equipment, including antennas, satellite dishes and other communication devices.

"Signs" shall mean any sign, advertisement, notice or other lettering.

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean the promoter of the project and/or the Offering Plan to convert or create the particular parcel of property to Condominium Ownership. The Declarant under the declaration of Condominium for the Property is the Sponsor of the Offering Plan. 368 Dev LLC is the Sponsor and Declarant.

"Sponsor Designee" shall mean any person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all of the rights of a Sponsor-designee. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

"Temporary Certificate of Occupancy" or "TCO" shall mean the Temporary Certificate of Occupancy issued or to be issued by the New York City Department of Buildings for the Building, which is usually issued for a three month time period and requires renewal or the issuance of a Permanent Certificate of Occupancy.

"Unit" shall mean any space designated as a Unit in the Declaration.

"Unit Deed" shall mean the deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" shall mean the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.

"Unit Owner" or **"Unit Owners" shall** mean any owner or owners of a Condominium Unit in the Condominium. All of such Unit Owners are collectively referred to as "Unit Owner". "Unit Owner" and shall have the meaning ascribed to it in Article 9-B of the Real Property Law of the State of New York. 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.

"Unsold Unit" shall mean any Unit held by the Sponsor or Sponsor's designee or any Construction Lender or Sponsor or Receiver appointed by such Construction Lender or a Purchaser at a foreclosure sale held by such Construction Lender or any designee of such Construction Lender or any entity acquiring Sponsor's Units by a deed in lieu of foreclosure. The owner of Unsold Units shall have the same rights, privileges, exemptions and benefits with respect to its Unsold Units as Sponsor has under this Plan and the Declaration and By-Laws with respect to the Units owned by Sponsor.

Article 7. – Use of Building and Units.

A. The Building shall be used as a Residential Condominium for residential use only.

B. The Sponsor or its designees shall have the right to maintain a general sales office in any Unit owned by it and to use such Unit as a model and for other promotional purposes.

C. Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of any Condominium Board, other Unit Owners, or the Mortgage Representatives (as such term is defined in the Bylaws), if any, to :

(a) make alterations, additions or improvements to any Unsold Units;

(b) change the use or layout of, or number of rooms of any Unsold Units from time to time;

(c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a General Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit;

(d) designate a General Common Element or a Limited Common Element, as part of a newly created Unit or Limited Common Element, or designate all or part of a Unit as a newly created General Common Element;

(e) amend the Certificate of Occupancy; and

(f) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that

(i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto;

(ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

Notwithstanding the foregoing, a holder, insurer or guarantor of a first mortgage, upon written request to the Board of Managers, is entitled to timely written notice of (1) any proposed amendment of the condominium instruments effecting a change in (i) boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or Limited Common Elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any unit or (iv) the purposes to which any unit or the Common Elements are restricted, (2) Any proposed termination of the condominium regime; (3) Any condemnation loss or any casualty loss which affects a material portion of the condominium or which affects any unit on which there is a first mortgage held, insured or guaranteed by such eligible holder; (4) Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days; (5) Any lapse, cancellation or material modification of any insurance policy maintained by the Board of Managers.

The provisions of this Article may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee.

By written permission of the Condominium Board, which permission shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and

conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium, or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

D. The Building shall be used solely for the purposes for which the Units contained therein may be used under law.

Article 8. – Common Elements.

The Common Elements of the Condominium ("Common Elements") shall consist of all parts of the Property other than the Units and are comprised of (i) the general Common Elements (the "General Common Elements") which are described in this Article and the Limited Common Elements described herein.

General Common Elements.

The General Common Elements consist of:

(1) all portions of the Condominium other than the Units, including without limitation **the land, roofs (except roof terraces, if any, which are limited common element), walls and structural elements of the building, windows, vestibules, staircases, bulkheads, drywells, sprinkler mechanical room, electric meter room, entrance hall, planted / landscaping area, roofs, and certain other portions of the building to be set aside for common use.**

(2) Any of the following: all foundations, footings, columns, joists, exterior walls, interior walls, partitions, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, window casements and frames, roofs and ceilings in, on or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element from a Unit and/or Common Elements and/or a Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element, as the case may be;

(3) All portions of the exterior walls beyond the hidden face of the interior gypsum board; all portions of the walls and partitions separating a Unit from other Units or Common Elements, located beyond the unexposed sides of the dry walls; the space between the hidden face of the ceiling board and the roof of the Building;

(4) All masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Unit from another Unit;

(5) All central and appurtenant installations for services such as power, light, telephone, intercom, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, waste piping and roof drains (including all pipes, flues, ducts, wires, cables and conduits used in connection therewith, whether located in Common Elements or in the Units);

(6) All interior portions of the Building, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms herein;

(7) All other parts of the Property and all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of this Declaration and the By-Laws.

Limited Common Elements.

The Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include the following:

1. Each Unit Owner shall have the exclusive use of the entrance to the Unit.

2. The portion of equipment, fixtures or facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is no direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for the normal operation, maintenance and repair thereof at such Residential Unit Owner's sole cost and expense;

3. Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;

4. Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;

5. Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and

6. Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element.

The cost of maintaining and repairing the Unit entrances will be included in the common charges payable by all Unit Owners. All other Limited Common Elements shall be repaired and maintained by the Unit Owners having exclusive use thereof.

No construction on or in and no enclosures are permitted on the roof. The roof may not be enclosed.

Proposed maintenance, repair, or replacement of the limited common element roof areas will require the board's prior review and consent of all aspects of the work to be performed including on the limited common element roof areas, without limitation, approval of contractor(s), insurance, etc.

Article 9. – Determination of Percentage of Common Interest in the Common Elements.

The undivided percentage of interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Condominium Unit in accordance with Real Property Law Section 339-i.1(iv), based upon.

The percentage interest of all Units in the Common Elements is apportioned in the same proportion that the Units at the date of this Declaration bears to the then aggregate Common Interests of all of the Condominium Units in the Condominium.

Article 10. – Encroachments.

If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements as a result of the construction of the Building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Building, or by reason of the repair and/or restoration by the Board of Managers of the Building, any Unit or the Common Elements, a valid easement for the encroachment and for the maintenance of the same so long as the Building stands, shall exist. In the event the Building,

a Unit, any adjoining Unit, or any adjoining Common Element shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, any and then rebuilt, encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the Building shall stand.

Article 11. – Easements.

(a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, flues, wires, ducts, cables, conduits, utility lines and other Common Elements located in any of the other Units and serving such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units to use the pipes, flues, ducts, cables, wires, conduits, utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit to inspect the same, to prevent damage thereto, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property subject to any restrictions on such right as may from time to time be provided in the By-Laws. Each Unit and the Common Elements shall have an easement of support, subjacency and necessity and shall be subject to such easement in favor of all the Units and the Common Elements.

(b) The Sponsor, Sponsor-affiliates (hereinafter defined) and its designees, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, renovations, installation, maintenance, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (ii) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

(c) The Sponsor, its designees and invitees, licensees, contractors employees and tenants (i) shall have an easement without the necessity of obtaining the consent of the Board of Managers and/or Unit Owners to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, oil, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements on any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or its designee shall deem it necessary or desirable for the proper operation and maintenance of the Property of any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such rights of access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

(d) The user of any easement granted by subparagraphs "b," and "c" of this Article "11" shall have the responsibility of repairing any damage resulting therefrom.

(e) The Sponsor and its designees, as the case may be (without the necessity of obtaining the consent of the Board of Managers or the Unit Owners) and the Board of Managers (without the necessity of obtaining the consent of the Board of Managers or the Unit Owners) shall each have the right to establish, grant and create easements for any additional electric, transformer, amplifier, oil, cable television, telecommunication (including, without limitation internet facilities), telephone, water, sewer or other utility lines, flues, ducts and appurtenances including such equipment rooms as may be required in connection with the foregoing in, under and through the Property, including, without limitation, within any of the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property including, without limitation, within any of the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit (or the Limited Common Elements appurtenant thereto) after construction thereof without the consent of the owner of such Unit.

Article 12. – Power of Attorney to Board of Managers

Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine, following due authorization if required from the Unit Owners), to:

(a) acquire title to or lease any Unit, whose owner desires to surrender, same in the name of the Board of Managers or its designee, corporate or otherwise, and

(b) to convey, sell, lease, mortgage or otherwise deal with any such Unit so acquired or to sublease any Unit so leased by the Board of Managers;

(c) each Unit Owner shall grant to Sponsor and its designees and to the Board of Managers an irrevocable power of attorney coupled within interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that the Sponsor or the Board of Managers deems necessary and appropriate to comply with any Law, zoning regulation, or requirement of the Department of Buildings or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration or repair of the Property or any part thereof.

Article 13. – Acquisition of Units By Board of Managers.

In the event any Unit Owner shall surrender his or her Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any other Units 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 collectively called the "Appurtenant Interests") pursuant to the provisions of Section 339-x of the New York Condominium Act, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective common interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Residential Unit Owners, in proportion to their respective common interests.

Article 14. – Person to Receive Service of Process.

The Secretary of State of the State of New York is designated as agent of the Board of Managers of the Condominium (the “Board of Managers” or the “Board”) upon whom process against it may be served at the Office of the New York State Department of State in the manner provided by applicable law. The Board of Managers shall file with the Secretary of State the name and post office address of the Condominium for purposes of receiving copies of any process served against the Board of Managers.

Article 15. – Amendment of Declaration.

(a) This Declaration may be amended with the approval of at least 66 2/3% in number and in common interest of all Unit Owners, in accordance with the provisions of the By-Laws, provided, however, that the common interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the consent of all Unit Owners affected.

(b) The Sponsor or its designee shall have the right without vote or consent of other Unit Owners, the Board of Managers or the holders of Unit mortgages, to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, County of Kings and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, Plan and maps as may be required to effectuate the same) to reflect (i) any changes in Units and the reapportionment of the common interests resulting therefrom, made by the Sponsor or its designees) in accordance with Article 15 hereof or (ii) the completion of construction of the Building which shall not have been completed on the date of recording of this Declaration, including, but without being limited to, the final location, dimensions or size of the Building and the Units therein.

Any amendment to the Declaration of a material adverse nature must be agreed to by the mortgagees that represent at least 51% of the votes of units that are subject to mortgages.

Article 16. – Changes in the Sponsor-Owned Units.

For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to:

(i) make alterations, additions, or improvements in, to and upon the Unit;

(ii) change the layout or number of rooms in the Unit;

(iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and

(iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any pursuant to Purchase Agreements with Sponsor or its designees for a Unit adversely affected as result of the above changes, Purchasers shall have the right to rescind their Purchase Agreements and receive a refund of any deposit or Down Payment. The above changes, if made, will be disclosed in an amendment to the Offering Plan for the Property. For purposes, of this paragraph, the above changes shall not be considered adverse changes if made in the Offering Plan.

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior to subsequent to this Declaration.

Article 17. – Covenants Running with the Land.

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), including, without limitations, the provisions of this paragraph shall, to the extent applicable and unless otherwise expressly herein and therein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of the Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

(b) If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the property and their heirs, executors, administrators, legal representatives, successors and

assigns, as covenants running with the land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

(c) Subject to the provisions of Article "18"(b), if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of the Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land.

Article 18. – Covenant of Further Assurances.

(a) Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transition.

(b) If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefore, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner or other party hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

(c) If any Unit Owner, the Board or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefore, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

Article 19. – Successors and Assigns.

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all then Unsold Units. Subject to the foregoing, Sponsor, or its designee, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, lease, assignment or otherwise.

Article 20. –Termination of Condominium.

The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80% in number and in common interest of all Unit Owners. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80% in number and in common interest of all other Unit Owners

so elect for such withdrawal, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from Condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens.

Any restoration or repair of the condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the declaration and the offering plan unless the approval of the eligible holders of first mortgages on units which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated, is obtained.

Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the condominium property must require the approval of the eligible holders of first mortgages on units to which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated.

Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the condominium project is fixed in advance by the declaration or by applicable law no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the condominium project may be effected without the approval of the eligible holders of first mortgages on units to which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated.

Article 21. – Definition of "Sponsor-designee"; "Sponsor-affiliate".

The term "Sponsor-designated (alternatively referred to as designee of Sponsor or Sponsor-affiliate) as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit. A "Sponsor-designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

Article 22. – Invalidity.

The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Article 23. – Waiver.

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Article 24. –Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

Article 25. – Gender.

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Article 26. – General.

A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires. The terms "herein", "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles,

Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Declaration.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the Sponsor has caused this Declaration to be executed this ____ day of _____, 202__.

368 Dev LLC
a New York limited liability company

By: _____
Name: Joseph Serrano
Title: Authorized Signatory

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year 202__ before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph Serrano, 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
THE 368 & 372 92nd Street CONDOMINIUM

PROPERTY DESCRIPTION

All that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of 92nd Street where the same is intersected by the westerly line of Lot No. 349 as shown on said Map, and distant 131 feet 2-1/4 inches westerly from the corner formed by the intersection the southerly side of 92nd Street and the westerly side of 4th Avenue;

RUNNING THENCE southerly along the westerly line of said lot No. 349, on said Map and parallel with Hamilton Avenue, as laid down on said Map, 109 feet 10-1/4 inches to the northerly line of lot No. 366 on said Map;

THENCE, westerly along the northerly line of said lot No. 366 on said Map, and parallel with or nearly so with 92nd Street, 50 feet 2 inches to the easterly line of lot No. 347 on said Map;

THENCE, northerly along the easterly side of a lot No. 347 on said Map and parallel with said Hamilton Avenue, 109 feet 10-1/4 inches to the southerly side of 92nd Street; and

THENCE, easterly along the southerly side of 92nd Street, 50 feet 2 inches to the point or place of BEGINNING.

Schedule B

Notes to Schedule B

All public streets and adjoining property will be improved with street pavement, curbs and sidewalks in accordance with Department of Highways rules and regulations. Off-site and on-site drainage will comply to the Department of Sewers and Building Code requirements. All storm water runoff shall be collected at yard drains and gutters and connected to the storm drywells, and to the storm sewer in the city street. All piping to be installed as per the Approved Drainage Plan.

CONDOMINIUM BY-LAWS

MM. CONDOMINIUM BY-LAWS

Condominium By-Laws

Name: **THE 368 & 372 92ND STREET CONDOMINIUM**

Sponsor: **368 Dev LLC**
7909 10th Avenue,
Brooklyn, New York 11228

ROSEN LAW LLC
216 Lakeville Road
Great Neck, New York 11020

TABLE OF CONTENTS

Article	Title
I	**Plan of Unit Ownership**
Section 1.	Unit Ownership
Section 2.	Applicability of By-Laws
Section 3.	Application
Section 4.	Office
II	**Board of Managers**
Section 1.	Number and Qualification
Section 2.	Powers and Duties
Section 3.	Managing Agent and Manager
Section 4.	Election and Term of office
Section 5.	Resignation and Removal of Members of the Board of Managers
Section 6.	Vacancies
Section 7.	Organization Meeting
Section 8.	Regular Meetings
Section 9.	Special Meetings
Section10.	Waiver of Notice
Section 11.	Quorum of Board of Managers
Section 12.	Fidelity Bonds
Section 13.	Compensation
Section 14.	Liability of the Board of Managers
Section 15.	Executive Committee
Section 16.	Other Committees
III	**Unit Owners**
Section 1.	Annual Meetings
Section 2.	Place of Meetings
Section 3.	Special Meetings
Section 4.	Notice of Meetings
Section 5.	Adjournment of Meetings
Section 6.	Order of Business
Section 7.	Title to Units; Status of Holder of Title as Unit Owner
Section 8.	Voting
Section 9.	Majority of Unit Owners
Section 10.	Quorum
Section 11.	Majority Vote
Section 12.	Action Without Meeting
IV	**Officers**
Section 1.	Designation
Section 2.	Election of officers
Section 3.	Removal of officers
Section 4.	President
Section 5.	Vice President
Section 6.	Secretary
Section 7.	Treasurer

Section 8. Agreements, Contracts, Deeds, Checks, etc
Section 9. Compensation of Officers
Section 10. Liability of Officers

V **Operation of the Property**

Section 1. Determination of Common Expenses and Fixing of Common Charges
Section 2. Insurance
Section 3. Repair of Reconstruction After Fire or Other Casualty
Section 4. Payment of Common Charges
Section 5. Default in Payment of Common Charges
Section 6. Foreclosure of Liens for Unpaid Common Charges
Section 7. Statement of Common Charges and Assessments
Section 8. Abatement and Enjoinment of violations by Unit Owners
Section 9. Maintenance and Repairs
Section 10. Violation of Maintenance Obligations
Section 11. Limited Common Elements
Section 12. Heating, Hot Water and Air-Conditioning Systems
Section 13. Restrictions on Use of Units
Section 14. Additions, Alterations or Improvements by Board of Managers
Section 15. Additions, Alterations or Improvements by Unit Owners
Section 16. Use of Common Elements and Facilities
Section 17. Right of Access
Section 18. Water, Sewer, Oil and Electricity

VI **Mortgage**

Section 1. Notice to the Board of Managers
Section 2. Notice of Unpaid Common Charges or Other Default
Section 3. Notice of Default
Section 4. Examination of Books

VII **Sales, Leases and Mortgages of Units**

Section 1. Sales and Leases
Section 2 Consent of Unit Owners to Purchase of Units by Board of Managers
Section 3. No Severance of Ownership
Section 4. Intentionally Omitted.
Section 5. Intentionally Omitted.
Section 6. Financing of Purchase of Units by Board of Managers
Section 7. Gifts and Devises, etc
Section 8. Waiver of Right of Partition With Respect to Such Units as Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners as Tenants in Common
Section 9. Payment of Common Charges and Assessments
Section 10. Mortgage of Units
Section 11. Exceptions

VIII **Condemnation**

IX **Records**

X **Arbitration**

XI **Miscellaneous**

Section 1. Notices
Section 2. Invalidity
Section 3. Captions
Section 4. Gender
Section 5. Waiver
Section 6. Definition of “Mortgagee”

XII **Amendments to By-Laws**

XIII **Conflicts**

Schedule A - Rules and Regulations

BY-LAWS
OF
THE 368 & 372 92nd Street CONDOMINIUM

ARTICLE I. Plan of Unit Ownership

Section 1 - Unit Ownership.

The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium, as well as certain obligations of the Unit Owners therein.

All terms used in these By-Laws which are capitalized and are not defined herein shall have the same definition as in the Declaration of which these By-Laws are a part (such Declaration as amended from time to time being herein referred to as the Declaration").

The land and Building located in the County of Kings, City of New York, State of New York, at 368 & 372 92nd Street, Brooklyn, New York (hereafter 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 City Register of the City of New York, simultaneously herewith and shall hereinafter be known as The 368 & 372 92nd Street Condominium (hereafter called the "Condominium"). The apartments are herein sometimes called "the Units." The owner of a Unit is herein referred to as a "Unit Owner".

Section 2 - Applicability of By-Laws.

The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof.

The term "Property" as used herein shall include the land, the Building and all other improvements thereon (including the Units, and the Common Elements and Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York.

Section 3 - Application.

All present and future owners, mortgagees, lessees, sublessees, and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto, each as amended from time to time.

The acceptance of a deed or conveyance or the entering into of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4 – Principal Office.

The principal office of the Condominium and the Board of Managers shall be located at the Property or at such other place within the County of Kings, State of New York reasonably convenient thereto as may be designated by the Board of Managers.

ARTICLE II. Board of Managers

Section 1 - Number and Qualification.

The Sponsor shall call the first meeting of Unit Owners within thirty (30) days of the earlier of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. At the first meeting, a three (3) member Board of Managers shall be

elected by the Unit Owners, unless Sponsor owns at least one unit, in such event, Sponsor shall appoint one (1) member of the Board of Managers at all times and years that Sponsor owns at least one Condominium Unit and an election shall be held for two (2) members of the Board of Managers.

Until the first meeting, the Sponsor shall control the Board of Managers ("Sponsor Control Period").

Annual meetings will be held each annual anniversary from the first meeting of the Unit Owners although no change in control will occur until the provisions set forth herein are met.

The By-Laws authorize 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 25% in common interest, in the aggregate, of the Unit Owners.

After the initial Sponsor Control Period expires, the By-Laws do not require that the majority of the Board consist of owner occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., as a home as opposed to an investment.

After the initial Sponsor Control Period, a majority of Board Members will not be Sponsor affiliates. After initial Sponsor Control Period, (i) a majority of the members of the Board of Managers are not required to be owner occupants of the condominium units, and are not required to be members of an owner-occupant's household and (ii) members of the Board of Managers may berelated to the Sponsor and its principals of Sponsor.

All members of the Board of Managers (other than the designees of the Sponsor) shall be Unit Owners, mortgagees of Units, partners or employees of a partnership owning a Unit or a mortgage covering a Unit, shareholders, officers, directors or employees of corporate owners or corporate mortgagees of Units, or fiduciaries or officers or employees of fiduciaries who are owners or mortgagees of Units.

The term of office of the members of the Board of Managers shall be one year or until their successors are elected, whichever is later.

All terms of the members of the Board of Managers term shall expire annually.

All members of the Board of Managers shall be owners, spouses of owners, 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 or Sponsor-affiliates, shall be designees of the Sponsor.

Persons designated by the Sponsor or Sponsor-affiliate under this Article need not be Unit Owners.

As used in these By Laws, the term "Sponsor-affiliate" shall mean any person or entity which the Sponsor may designate to acquire title to a Unit. Such term is used interchangeably with and is intended to have identical meaning with the term "Sponsor-designee" as used in the Declaration, Offering Plan and other documents related to the Condominium. A "Sponsor-affiliate" shall have the right to designate a person or entity to succeed to its rights, and any such designee shall also be deemed a "Sponsor-affiliate".

Each member may be re-elected any number of times.

Section 2 - Powers and Duties.

The Board of Managers shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) Operation, use, care, upkeep, maintenance and replacements of the Common Elements and Limited Common Elements as described in the Declaration;

(b) Determination of the common charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property and the Units;

(c) Collection from the Unit Owners of the common charges of the Condominium;

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements (which shall be determined by the Board of Managers, in its sole discretion);

(e) Adoption of an amendment and additions to the Rules and Regulations subject to the limitations hereinafter set forth in these By-Laws, covering the details of the operation and use of the Property;

(f) Opening and maintaining of bank accounts on behalf of the Condominium and designating the signatories required therefore;

(g) Accepting the conveyance of Units surrendered by Unit Owners to the Board of Managers, or purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers;

(h) Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners;

(i) Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interest in real and personal property for use in connection with ownership and operation of the Property as a Condominium, as described in the Declaration and these By-Laws;

(j) Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article V, Section 2 hereof;

(k) Making of repairs, additions and improvements to or alterations of the property and making of repairs to and restoration of the property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(l) Leasing portions of the Common Elements and granting of licenses for vending machines;

(m) Selling, leasing, mortgaging, or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners;

(n) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units or rights and interest in real and personal property for use in connection with the ownership and operation of the property as a residential Condominium, on behalf of all Unit Owners;

(o) Granting of licenses of Common Elements;

(p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of a two-thirds percent (66 2/3rds) of all Unit Owners in number and in common interest obtained at a meeting duly called and held for such purpose

in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of $5,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements, or except as expressly permitted in Section 339-jj of the Real Property Law, without the consent of the Unit Owner and (iii) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Board of Managers pursuant to the subparagraph (p) is not repair by the Board of Managers, any Unit Owner who pays to the creditor thereunder such proportion thereof as his Common Interest bears to the Common Interests of all the Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or shall have the right to file against such Unit Owner's Unit.

(q) Enforcing obligations of Unit Owners, including without limitation, levying reasonable fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Condominium;

(r) Adjusting and settling claims under insurance policies obtained pursuant to Article V, Section 2 and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners;

(s) Executing, acknowledging and delivering of any declaration or other instrument affecting the Property (i) which the Board of Managers deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental authorities applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, permitted hereunder or under the Declaration or (ii) upon request of a Unit Owner;

(t) Preparing, executing and recording on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest (i) amendments of the Declaration and/or these By-Laws, whenever in the judgment of the Board of Managers it is advisable to consolidate and restate all amendments theretofore made to the Declaration and/or By-Laws;

(u) Granting utilities or other easements as may, from time to time, be required for the benefit of the Condominium and Unit Owners and controlling power shut-offs and other interruptions of the normal functioning of the Condominium, to facilitate repairs to and renovations of particular Units and/or of the Common Elements. In making determinations in this area, the Board of Managers will make all reasonable efforts to disrupt the operations of the Unit Owners as little as possible under the circumstances then prevailing;

(v) Investing any excess funds in savings accounts, treasury bills, certificates of deposit or other such money market instruments and funds which invest in any such instruments.

(w) To impose move-in fees and charges and transfer fees in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor;

(x) To hire or employ professionals to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate.

Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-affiliate shall continue to own a Unit, the Board of Managers may not, without the Sponsor's or Sponsor-affiliate's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any common charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund 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 an apartment Unit or (v) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient) or (vi) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or its designees.

At no time will the Board of Managers interfere with: the offer and sale or leasing of Units; operation of general or sales and leasing offices on the premises, actions necessary for construction, renovation, repair or correction on the premises, as required by Sponsor. The Sponsor or Sponsor-affiliate shall have the right to withhold its consent to any of the foregoing actions, except Sponsor may not withhold its consent to any action which affects the health and safety of

the occupants of the building. The sponsor may not exercise veto power over expenses described in schedule b, or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

Mortgagees and guarantors of any mortgage on any unit must receive timely written notice of Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage; Any 60 day delinquency in the payment of assessments or charges owned by the owner of any unit on which it holds the mortgage; A lapse, cancellation or material modification of any insurance policy maintained by the condominium; and Any proposed action that requires the consent of a specified percentage of mortgagees. There is implied approval when a mortgagee fails to submit a response to any written proposal for an amendment within sixty days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail with a return receipt requested.

Section 3 - Managing Agent and Manager.

The Board of Managers may employ a managing agent and/or manager (including the Sponsor or a corporation organized or controlled by the Sponsor) for the Condominium at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize.

The Board of Managers may delegate to any manager or managing agent all of the powers granted to the Board of Managers by these By-Laws including but not limited to the duties listed in subdivisions (a), (c), (d), (j) and (k) of Section 2 of this Article II.

However, in no event may the Board of Managers delegate to the manager or managing agent, the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (l), (m), (n), (o), (p), (q), (r), (s), (t), (u), and (v) of Section 2 of this Article II.

The Board of Managers may terminate or replace the managing agent, if any, employed for the operation of the property at any time by a majority vote of the Board of Managers.

The Board of Managers may retain such attorneys, accountants and other professionals as it deems advisable in exercising any of the powers enumerated in Section 2 of this Article II.

Section 4 - Election and Term of Office.

The term of office of the members of the Board of Managers elected by Unit Owners other than the Sponsor or a Sponsor-affiliate at the first meeting of Unit Owners held pursuant to Section 1 (a) of Article III of these By-Laws shall expire on the date of the second meeting of Unit Owners held pursuant to Section 1 (b) of Article III of these By-Laws.

Except as provided in Section 1(d) of Article III, at the second meeting of the Unit Owners the term of office of the new members of the Board of Managers shall be fixed at one (1) year and the members of the Board shall serve until a new Board of Managers is elected at the next annual meeting.

Section 5 - Resignation and Removal of Members of the Board of Managers.

Resignation.

Any member of the Board of Managers may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein provided no resignation shall be effective prior to receipt thereof by the President or Secretary. Acceptance of such resignation shall not be specifically requested or required.

Removal.

At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or a Sponsor-affiliate, 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 Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or a Sponsor-affiliate, may only be removed by the Sponsor or a Sponsor-affiliate, respectively, and only they shall have the right to designate a replacement.

Member of Board of Managers Who Has Sold Unit.

If a member of the Board of Managers ceases to be a Unit Owner or Unit mortgagee (or a partner, officer, director, stockholder or employee of a partnership or corporate owner or mortgagee or fiduciary owner or mortgagee), unless such member is a designee of the Sponsor or a Sponsor-affiliate, he shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceased.

Section 6 - Vacancies.

Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers until the next annual meeting of the Unit Owners, at which meeting a successor shall be elected for such member.

Notwithstanding the foregoing, vacancies of members designated by the Sponsor or a Sponsor-affiliate, shall be filled only by the Sponsor or Sponsor-affiliate, respectively.

Section 7 - First Meeting of Board of Managers.

The first meeting of the members of the Board of Managers shall be held immediately following the first meeting of the Unit Owners and no notice shall be necessary to the newly elected members of the Board of Managers legally to constitute such meeting, provided that a majority of the members of the Board of Managers shall be present at such first meeting.

Section 8 - Regular Meetings.

Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by mail or facsimile transmission, at least three (3) business days prior to the day named for such meeting.

Section 9 - Special Meetings.

Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers, given by mail or facsimile transmission, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

Section 10 - Waiver of Notice.

Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. Any one or more members of the Board of Managers or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11 - Quorum of Board of Managers.

At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers.

If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time.

At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing are filed with the minutes of the proceedings of the Board or the committee.

Section 12 - Fidelity Bonds.

The Board of Managers may obtain adequate fidelity bonds for all officers and employees of the Condominium and or the managing agent handling or responsible for Condominium funds. The premiums for such bonds shall constitute a common expense.

Section 13 - Compensation.

No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 14 - Liability of the Board of Managers.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith.

The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all liability to others arising from their acts as, or by reason of the fact that such person was, a member of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements. Members of the Board of Managers designated by the Sponsor or a Sponsor-affiliate shall not incur any liability for self-dealing in connection with any contract made by the Board of Managers on behalf of the Unit Owners with the Sponsor or a Sponsor-affiliate, respectively, provided that any compensation paid under such contract shall be at then competitive rates for similar goods and services in the County of Kings, City and State of New York.

Section 15 - Executive Committee.

The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of one (1) or more members of the Board of Managers, at least one of whom shall be a member designated by the Sponsor, or a Sponsor-affiliate so long as the Sponsor, or a Sponsor-affiliate has the right to designate a member of the Board.

Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common charges and expenses required for the affairs of the Condominium, (b) to determine the common charges

payable by the Unit Owners to meet the common charges and expenses of the Condominium, (c) to adopt or amend the Rules and Regulations covering the details of the operation and use of the Property or (d) to exercise any of the powers set forth in subdivisions (g), (h), (i) and (o) of Section 2 of Article II.

Section 16 - Other Committees.

The Board of Managers may by resolution create such other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by the Sponsor, or a Sponsor-affiliate so long as the Sponsor, or a Sponsor-affiliate has the right to designate a member of the Board, shall be appointed by the President of the Condominium. Such committee shall not have power to do any act which the Executive Committee may not do under subsections (a)-(d) of Section 15 of Article II.

ARTICLE III. Unit Owners

Section 1 - Annual Meetings.

(a) First Meeting.

The Sponsor shall call the first meeting of Unit Owners within 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first. At the first meeting, a three (3) member Board of Managers shall be elected by the Unit Owners, unless Sponsor owns at least one unit, in such event, Sponsor shall appoint one (1) member of the Board of Managers at all times and years that Sponsor owns at least one Condominium Unit and an election shall be held for two (2) members of the Board of Managers.

Until the first meeting, the Sponsor shall control the Board of Managers.

(b) Sponsor's Right to Elect Members of the Board of Managers.

The Sponsor or its designees shall have voting control of the Board of Managers until the earlier of 30 days of (a) 75% of the Residential Units having been conveyed to Purchasers or (b) three (3) years from the conveyance of the first unit to a Purchaser, whichever occurs first at which time, the three (3) members designated by the Sponsor will resign and a vote will be held to elect three (3) new members to the Board of Managers to comprise a three (3) member Board of Managers elected by all Unit Owners.

(c) Annual meetings.

Annual meetings of Unit Owners shall be held on the first anniversary of the first meeting of Unit Owners and annually thereafter unless such day shall fall on a Saturday, Sunday or legal holiday, in which event the meeting for that year shall be held on the succeeding Monday.

Section 2 - Place of Meetings.

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 - Special Meetings.

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 25% in common interest, in the aggregate, of Unit Owners. The notice of any 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 - Notice of Meetings.

It shall be the duty of the Secretary to deliver or mail a notice of each annual or special meeting of the Unit Owners, at least twenty (20) but not more than thirty (30) days prior to such meetings, 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 Property 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 delivery or mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5 - Adjournment of Meetings.

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 meeting, 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 - Order of Business.

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 and/or Managing Agent.

(f) Reports of committees.

(g) Election of inspectors of election (when so required).

(h) Election of members of the Board of Managers (when so required).

(I) Unfinished business.

(j) New business.

The order of business of all special meetings of the Unit Owners shall conform to the foregoing to the extent practicable.

Section 7 - Title to Units; Status of Holder of Title as Unit Owner.

Title to Units may be taken in the name of an individual or in the names 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 partnership, or in the name of a fiduciary, non-profit organization or governmental entity (upon waiver of diplomatic immunity, as, if and when required by the Board of Managers). The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. The above shall not constitute consent or approval of any activity not permitted under existing Certificate of Occupancy, zoning requirements or other applicable law or regulation.

Section 8 - Voting.

The owner or owners of each Unit (except the Board of Managers), or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner, shall be entitled to cast the votes appurtenant

to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. Any or all of such owners may be present at any meeting of the Unit Owners and (those constituting a group acting unanimously) may vote or take any other action as a Unit Owner either in person or by proxy.

The total number of votes of all Unit Owners shall be **one hundred (100)** and each Unit Owner (including the Sponsor or Sponsor-affiliates, if the Sponsor or Sponsor-affiliates shall then own or shall then hold title to one or more Units) shall be entitled to cast a vote at all meetings of the Unit Owners equal to Unit Owner's percent of interest in the Common Elements applicable to his, her or their Unit.

A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

When voting for members of the Board of Managers, the voting shall be by ballot and each ballot shall state, among other things, the name of the Unit Owner voting and the Common Interest appurtenant to this Unit and in addition the name of the proxy if such ballot is cast by a proxy.

No designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor.

Section 9 - Majority of Unit Owners.

As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners present in person or by proxy at any meeting of the Unit Owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10 - Quorum.

Except as otherwise provided in these By-Laws or the Declaration, the presence in person or by proxy of Unit Owners having one-third of the total authorized votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 11 - Majority Vote.

The vote of a majority of Unit Owners by percentage of common interest at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where in the Declaration, these By-Laws, or by law, a higher percentage vote is required.

Section 12 - Action Without Meeting.

Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV. Officers

Section 1 - Designation.

The principal officers of the Condominium shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers. Any single person may hold any combination of offices except that the office of President and Vice President shall be held by different persons.

Section 2 - Election of Officers.

The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers.

Section 3 - Removal of Officers.

Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose. However, a member of the Board of Managers may not be removed by the Board of Managers without the express written consent of the Sponsor.

Section 4 - President.

The President shall be the chief executive officer of the Condominium and must be a member of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint members of committees created by the Board of Managers from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The President shall be a member of the Board of Managers.

Section 5 - Vice President.

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President. The Vice President shall be a member of the Board of Managers.

Section 6 - Secretary.

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7 - Treasurer.

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8 - Agreement, Contracts, Deeds, Checks, etc.

All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two persons who shall be officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9 - Compensation of Officers.

No officer shall receive any compensation from the Condominium for acting as such.

Section 10 - Liability of Officers.

No officer shall be liable to the Unit Owners for any mistake of judgment negligence or otherwise, except for willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the officers of the Condominium against all liability to others arising from their acts as, or by reason of the fact that such person was an officer. It is intended that officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by any officer or out of the aforesaid indemnity in favor of the officers shall be limited to such proportion of the total liability thereof as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Every agreement made by any officer 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 thereunder (except as Unit Owners) and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability of a Unit Owner thereunder as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Officers designated by the Sponsor or Sponsor-affiliate shall not incur any liability for self-dealing in connection with any contract made by such officers on behalf of the Unit Owners with the Sponsor, or a Sponsor-affiliate, provided that any compensation paid under such contract shall be at then competitive rates for similar goods and services in the County of Kings, City and State of New York.

ARTICLE V. Operation of the Property

Section 1 - Determination of Common Expenses and Fixing of Common Charges.

The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the 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 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 Section 2 of this Article V. The Common Expenses may also include such amount 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 elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of common charges and Common Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such common charges and expenses are based to all Unit Owners (and their respective mortgagee, if required). Until the Sponsor or Sponsor-affiliate has conveyed title to all the Units to Purchasers thereof, the Board of Managers can reduce the amount of common charges allocated to the Units and payable by Unit Owners (including the Sponsor or Sponsor-affiliate as owner of any unsold Units) provided that so long as the Sponsor or Sponsor-affiliate controls the Board of Managers the common charges will not be reduced below the amount necessary to operate the Property.

The Sponsor or Sponsor-affiliate shall be responsible for the common charges assessed against a Unit owned by it from the date of the first conveyance of title to a Unit in the Building in which such Sponsor-owned Unit is located until such Unit is sold to a bona fide Purchaser.

Section 2 - Insurance.

The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance:

Property Insurance:
Replacement Cost Insured Value - $3,000,000;
Deductible - $2,500;

Commercial General Liability Insurance:
Premises Liability - $1,000,000 per occurrence / $2,000,000 aggregate

And such other insurance as the Board of Managers may determine.

The insurance policy shall be in an amount equal to 100% of the current replacement cost of the condominium exclusive of land, foundation, excavation and other items normally excluded from coverage.

The insurance policy shall include an "Agreed Amount Endorsement" and if available, an "Inflation Guard Endorsement".

All policies of physical damage insurance shall, if possible, contain waivers of subrogation and waivers of any defense based on insurance or of pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days, prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies. 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 (exclusive of the cost of excavation and foundations), 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 effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each Unit Owner and covering all claims for bodily injury or property damage, arising out of any occurrence in the Common Elements or the Units, except such policy shall not cover liability of a Unit Owner arising from an occurrence within his own Unit. 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.

Until the first meeting of the Board of Managers following the second meeting of the Unit Owners, such public liability insurance shall be a single limit of not less than **$1,000,000** covering all claims for bodily injury or property damage arising out of one occurrence and including property damage and water damage legal liability claims.

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 such additional insurance carried by any Unit Owner.

Insurance proceeds with respect to loss shall be payable to the Board of Managers or the Unit Owner entitled to adjust such loss.

Section 3 - Repair or Reconstruction After Fire or Other Casualty.

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 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.

If 75% or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not within sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in accordance with the provisions of Article 9-B 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 interest, after first

paying out of the share of each Unit Owner the amount of any unpaid liens on the Unit, in the order of the priority of such liens.

Any action to terminate the legal status of the condominium after substantial destruction or condemnation must be agreed to by the mortgagees representing at least 51% of the units which have mortgagees.

Any restoration or repair of the condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the declaration and the offering plan unless the approval of the eligible holders of first mortgages on units which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated, is obtained.

Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the condominium property must require the approval of the eligible holders of first mortgages on units to which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated.

Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the condominium project is fixed in advance by the declaration or by applicable law no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the condominium project may be effected without the approval of the eligible holders of first mortgages on units to which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated.

Section 4 - Payment of Common Charges.

The term "Common Charges" shall mean any charge assessed by the Board of Managers against any Unit Owner. All Unit Owners shall be obligated to pay to the Board of Managers the general common charges assessed to it by the Board pursuant to these By-Laws at such time or times (but not less than monthly) as the Board determines. All Unit Owners shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article V which charges shall be payable in advance on the first day of each month or at such time or times as the Board of Managers shall subsequently determine. The common charges payable by each Unit Owner will be computed in accordance with his proportionate interest in the Common Elements.

No Unit Owner shall be liable for the payment of any part of the common charges assessed against such Unit Owner's Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VII hereof. A Purchaser of a Unit shall be liable for the payment of common charges assessed against such Unit prior to the acquisition by the Unit Owner 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 other than as permitted by existing law at the time of the foreclosure sale or for a maximum of six months arrears of regularly budgeted common charges or which accrued before acquisition of title to the unit by the mortgagee.

Section 5 - Default in Payment of Common Charges and Violations.

In the event any Unit Owner fails to make payment of Common Charges when due to the Condominium, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid, and (b) interest at the rate of two percent (2%) per month (but in no event in excess of the maximum rate permitted by law) on which unpaid amounts computed from the due date, thereof, together with all costs and expenses, including without limitation, reasonable attorneys' fees paid or incurred by the Board of Managers or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges", interest, reasonable attorneys' fees, costs and expenses shall be added to and shall constitute Common Charges due to the Condominium payable by such Unit Owner.

Board of Managers shall have the right to levy against Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these By-Laws or the Rules and Regulations of the Condominium. All such fines shall be added to and shall constitute Common Charges payable by such Unit Owner. Until such time as the By-Laws or Rules and Regulations are amended, the fine for each violation of any portion of the By-Laws or Rules and Regulations shall be $100.00 for the first offense and $250.00 for the second offense within and $1,000.00 for the third and any subsequent violation in any six month period. The Board of Managers may file a lien as provided for in Section 339-aa of the Real Property Law on Units which are more than thirty (30) days in arrears of common charges. The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of common charges while Sponsor is in control of the Board of Managers. Interest on the lien shall accrue at the rate of 18% per annum or the maximum interest rate permitted by law, whichever is lower and the Board of Managers may sell the lien to any third party.

Section 6 - Foreclosure of Liens for Unpaid Common Charges.

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid common charges, the Unit Owner shall be required to pay a reasonable rental for the use of such Unit Owner's 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 power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Managers), convey or otherwise deal with the same. An action to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same. In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficiency.

No Unit Owner shall be liable for the payment of any part of the Common Charges against such Unit Owner's Unit accruing subsequent to a sale or other conveyance by him of such Unit, together with its Appurtenant Interest, provided that no violation of any provision of the Declaration or these By-Laws then exists with respect to such Unit. Any Unit Owner may, by conveying such Unit Owner's Unit and its Appurtenant Interest to the Board of Managers, or its designee, corporate or otherwise, exempt himself from the liability for Common Charges accruing after such conveyance, subject to the terms and conditions of these By-Laws provided that at the time of such conveyance (a) such Unit is free and clear of liens and encumbrances other than a Permitted Mortgage and the statutory lien for Common Charges and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except as hereinafter provided. A Purchaser of a Unit at a foreclosure sale pursuant to a Permitted Mortgage against such Unit (including, without limitation, such Permitted Mortgagee) shall not be liable, and such Unit shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to the acquisition by said Purchaser of such Unit. However, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Chargers which accrued prior to such sale.

Section 339-kk of the Real Property Law is applicable to the Condominium which provides:

(a) For the purposes of this section, "non-occupying owner" shall mean a Unit Owner in a Condominium association who does not occupy the dwelling Unit.

(b) If a non-occupying owner rents any dwelling Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the Condominium association.

(c) If the common charges, assessments or late fees due for any Unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the Board of Managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium association at the address listed on the notice. Where a majority of the

Board of Managers has been elected by and from among the Unit Owners who are in occupancy, the Board of Managers may elect not to require that rental payments be made payable to the Condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board of Managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of Unit Owners or of the Board of Managers existing under any other law or agreement.

(e) Payment by a rental tenant to the Condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Section 7 - Statement of Common Charges and Assessments.

The Board of Managers (or a managing agent on its behalf) shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid common charges and assessments due from such Unit Owner.

Section 8 - Abatement and Enjoinment of Violations by Unit Owner.

The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. In connection with the foregoing, the Board of Managers shall have all of the rights of enforcement granted pursuant to Section 339-j of Article 9-B of the Real Property Law of the State of New York.

Section 9 - Maintenance and Repairs.

(a) All maintenance, repairs and replacements to a Unit and Limited Common Elements to which a Unit Owner has exclusive use, whether 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 the Unit. The owner of any units having a roof area, roof terrace or balcony, will be responsible for maintaining, repairing and replacing the roof area or terrace which is the limited common element. Proposed maintenance, repair, or replacement of the limited common element roof areas will require the board's prior review and consent of all aspects of the work to be performed including on the limited common element roof areas, without limitation, approval of contractor(s), insurance, etc.

Electrical, plumbing, heating, hot water and air conditioning equipment remains the sole responsibility of the Unit Owner. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements, that his failure to do so may engender.

(b) All maintenance, repairs and replacements to the Common Elements (other than the Limited Common Elements described in Section 9(a) above), whether located inside or outside of the Units, (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner), shall be made by the Board of Managers and be charged to all the Unit Owners as a common expense.

(c) Notwithstanding the above, the Board of Managers shall have the responsibility (which shall constitute its only responsibility regarding those items) of painting or refinishing the exterior of the frames of windows opening out of the Units.

(d) In the event that there are "lot line" windows, meaning that there are some or all windows that must be closed and/or sealed if the New York City Department of Building requires same, the cost of doing so will be borne by all of the Unit Owners as a Common Expense of the Condominium.

(e) The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and neither the windows, window frames nor mullions may be modified, altered or replaced without the consent of the Board of Managers.

(f) The interior and exterior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned from the outside in violation of Section 202 of the Labor Law of the State of New York, or any future law or like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respective agents and employees, for all losses, damages or fines suffered by any of them as a result of a violation of the aforesaid laws, ordinances, regulations or rules. Any replacement of glass windows located in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). Notwithstanding the foregoing, prior to the replacement of any glass window, the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed. The public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building as determined by the Condominium Board in its sole discretion, by (i) the Condominium, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and window treatments in, or appurtenant to the Unit.

(g) The exterior of all front doors of Units shall not be painted or decorated other than with the consent of the Board.

(h) It shall be the obligation of the Board of Managers to clean the sidewalks surrounding the Building and to remove snow therefrom. The cost of such cleaning and snow removal, and the cost of repairing and replacing the sidewalks shall be a Common Expense.

Section 10 - Violation of Maintenance Obligations.

In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any obligations of his with respect to the painting, decorating, maintenance, repair or replacement of Limited Common Elements or such Unit Owner's Unit as provided in this Article V or any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within five days after receiving notice of such default by the Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement, together with interest thereon at the rate of five percent (5%) per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 11 - Limited Common Elements.

The Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include the following:

(1) **Unit 1A has one open porch measuring approximately 115 sq. ft. as limited common element, two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;**

(2) **Unit 1B has two areaways in the cellar measuring approximately 10 sq. ft. each as limited common element;**

(3) **Unit 2A has a roof terrace measuring approximately 303 sq. ft. on the attic floor as limited common element; and**

(4) **Unit 2B has a roof terrace measuring approximately 155 sq. ft. on the attic floor as limited common element;**

(5) Each Unit Owner shall have the exclusive use of the entrance to such Unit Owner's Unit;

(6) The portion of equipment, fixtures or facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is no direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for the normal operation, maintenance and repair thereof at such Residential Unit Owner's sole cost and expense;

The cost of maintaining and repairing the Unit entrances will be included in the common charges payable by all Unit Owners. All other Limited Common Elements shall be repaired and maintained by the Unit Owners having exclusive use thereof.

The cost of maintaining and repairing the Unit entrances will be included in the common charges payable by all Unit Owners. All other Limited Common Elements shall be repaired and maintained by the Unit Owners having exclusive use thereof.

No construction on or in and no enclosures are permitted on the roof, balconies, terraces or in the front, rear and side yards. The roof, balconies, terraces, front, rear and side yards may not be enclosed.

The Board of Managers will have the responsibility of maintaining and repairing the entrance to each Unit, and the cost thereof will be included in the common charges payable by all Unit Owners unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. All other Limited Common Elements shall be repaired and maintained by the Unit Owners having exclusive use thereof;

Section 12 - Heating, Hot Water and Air-Conditioning Systems.

Any maintenance, repairs and replacements of the air conditioning systems, heating systems and hot water heaters located inside or outside of each Condominium Unit, excluding the piping, shall be made by the Unit Owner at the Unit Owner's expense.

Section 13 - Restrictions on Use of Units.

In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) All Residential Condominium Units shall be used by Unit Owners (other than the Sponsor or Sponsor-affiliates) for residences. The Sponsor or Sponsor-affiliates shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; and (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations;

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

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which 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 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;

(e) No portion of a Unit (other than the entire Unit and its appurtenant interests) may be rented, and no transient tenants may be accommodated therein, except that a non-residential Unit may be subdivided with Sponsor's consent, provided that Sponsor owns a Unit at the time of such subdivision;

(f) Rules and regulations concerning the use of the Units, the Common Elements and the Limited Common Elements 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 not less than 5 days prior to the time that they become effective. Any Rule or Regulation may be rescinded by vote of 70% of the Unit Owners at a meeting duly called for such purpose. No such Rule or Regulation shall interfere with the possession, maintenance, use or enjoyment of any Unit owned by Sponsor or a Sponsor-affiliate. The Condominium's initial Rules and Regulations are attached hereto as Schedule A.

(g) Occupancy of Residential Units shall be limited to residential use unless permission for other use is granted by the Board of Managers and meets approvals of government agencies and authorities;

(h) **The maximum occupancy for each unit shall not exceed the maximum permitted by law.**

Section 14 - Additions, Alterations or Improvements by Board of Managers.

Subject to the provisions of Section 2 Article II of these By-Laws, whenever in the judgment of the Board of Managers the Common Elements or the Limited Common Elements shall require additions, alterations or improvements costing in excess of $5,000 and the making of such additions, alterations or improvements shall have been approved by more than 50% in number and in common interest of the Unit Owners (including the Sponsor or any Sponsor-affiliate if then a Unit Owner) in accordance with these By-Laws (and by the holders of first mortgages on Units, if their approval is required), 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 $5,000 or less may be made by the Board of Managers without approval of the Unit Owners or mortgagees of Units and the cost thereof shall constitute part of the Common Expenses. So long as the Sponsor or any Sponsor-affiliate shall own at least 15% of the apartment Units, the Board of Managers may not make any addition, alteration or improvement to the Common Elements without the Sponsor's prior written consent.

Section 15 - Additions, Alterations or Improvements By The Owners.

No Unit Owner shall make any structural addition, alteration or improvement in or to such Unit Owner's Unit or which may affect the value of other Units, without the prior written consent thereto of the Board of Managers and, if required, of his mortgagee. The Unit Owner must submit a written request (along with documentation reasonably required by the Board of Managers) for approval the Board of Managers of a proposed structural addition, alteration or improvement in such Unit Owner's Unit. The Board of Managers shall respond within thirty (30) days after such request advising of its approval or disapproval of the request; failure to do so within the stipulated time shall constitute a 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, alternation 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, 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 Section 15 shall not apply to a Unit owned by the Sponsor or Sponsor-affiliate.

The Board of Managers shall 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 Sponsor-affiliate to any Unit provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers.

Section 16 - Use of Common Elements and Facilities.

(a) A Unit Owner shall not store any furniture, packages or objects of any kind in any part of the Common Elements or Limited Common Elements.

(b) The Common Elements and Limited Common Elements and related 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 or Limited Common Elements (including, but without limitation, the exterior of the Building) without the prior written consent of the Board of Managers (and the holders of Unit first mortgagees, if required). The Sponsor and any Sponsor-affiliate shall have the right to use the Common Elements, without charge, for the purposes set forth in Section 13 of this Article V.

(c) The Board of Managers has the authority to adopt or amend administrative rules and regulations governing the details of the operation and use of the Common Elements.

Section 17 - Right of Access.

A Unit Owner shall grant a right of access to such Unit Owner's Unit to the manager and/or the 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 when necessary or for the purpose of correcting any condition originating in such Unit Owner's Unit and threatening another Unit or a Common Element or Limited Common Element, or any condition originating in such Unit Owner's Unit constituting a violation of law or for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services or other Common Elements in such Unit Owner's Unit or Limited Common Elements 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 any such entry is at a time reasonably convenient to the Unit Owner and further provided that such right shall be exercised in such a manner as will not unreasonably interfere with the proper use of the Units. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. The foregoing shall not be deemed as prohibiting a Unit Owner from having a representative present when such access is given to the Board of Managers.

Section 18 - Utilities.

Electricity.

Electricity to Condominium Units will be supplied by the public utility companies serving the area through individual meters and billed by such companies to each Unit Owner. Except as provided for in the Declaration, a Unit Owner shall not exceed the capacity of existing feeders, risers or wiring installations and shall not use any electrical equipment which in the reasonable opinion of the Board of Managers will overload such feeders, risers or installations.

The cost of electricity for the public spaces outside the Units and for the common areas, as measured by one or more building meters, will be borne by the Unit Owners and will be included in the common charges therefore.

Cooking, heating, hot water, air conditioning, clothing dryers (which clothing washers and dryers are not included in the purchase price of a condominium unit), lighting and power are provided by electricity. Each Unit is separately metered for electricity consumption which costs are borne by each Unit Owner individually.

Gas.

There is no gas service in the Condominium Building.

Water.

Water will be supplied to all Units and sewage treatment will be provided by the municipality and the cost thereof will be included in the common charges.

The Board of Managers shall have the right to interrupt all utilities for the purposes of dealing with accidents, strikes, repairs, alterations, improvements, and the like. The Board of Managers shall have no liability to any Unit Owner for any such interruption. However, the Board of Managers shall make all reasonable efforts to minimize the extent of such interference.

ARTICLE VI. Mortgages

Section 1 - Notice to Board of Managers.

A Unit Owner who mortgages such Unit Owner's 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 - Notice of Unpaid Common Charges or Other Default.

The Board of Managers, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid common charges or assessments levied by the Board of Managers due from, or any other default by, the owner of the mortgaged Unit. The Board of Managers, when giving notice to a Unit Owner of any default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address shall have theretofore been furnished to the Board of Managers.

Section 3 - Notice of Default.

The Board of Managers, when giving notice to a Unit Owner of a default in paying common charges or assessments or other default, shall 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 - Examination of Books.

Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books and records of the Condominium at reasonable times, on business days, but not more than once each month, at the office of the Condominium or the managing agent.

ARTICLE VII. Sales, Leases and Mortgages of Units

Section 1 - Sales and Leases.

FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT:

Any Unit Owner shall have the right to sell his or her Unit free of any right of first refusal or restriction.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Unit Owners will be free without restriction, to sell or lease their respective Units to any person or entity without first offering the Unit for sale or lease to, or obtaining the consent of the Board of Managers. No Unit can be sold, leased or in any way transferred apart from its appurtenant interest in the Common Elements. Any Unit Owner shall have the

right to lease their Condominium Unit. Notwithstanding the foregoing, no Unit Owner may sell or lease such Unit Owner's Unit if he is in arrears on payment of common charges.

The Board of Managers may make further restrictions on or conditions to sale or lease of Units in the future consistent with the Condominium Declaration, By-Laws and applicable law.

Section 2 - Intentionally Omitted.

Section 3 - No Severance of Ownership.

No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his or her 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 interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the 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 4 - Intentionally Omitted.

Section 5 - Intentionally Omitted.

Section 6 - Financing of Purchase of Units by Board of Managers.

Acquisition of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the Working Capital and common charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner in proportion to his or her ownership in the Common Elements, as a common charge, which assessment shall be enforceable in the same manner as provided in Sections 5 and 6 of Article V, or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers.

Section 7 - Gifts and Devises, etc.

Any Unit Owner shall be free to convey or transfer his or her Unit and Appurtenant Interests by gift, or devise his or her Unit and Appurtenant Interests by Will, or to pass the same by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit subject to the provisions of this Article VII.

Section 8 - Waiver of Right of Partition with Respect to Such Units as Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners as Tenants in Common.

In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all such Units owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 9 - Payment of Common Charges and Assessments.

The term "Common Charges" shall mean any charge assessed by the Board of Managers against any Unit Owner. All Unit Owners shall be obligated to pay to the Board of Managers the general common charges assessed to it by the Board pursuant to these By-Laws at such time or times (but not less than monthly) as the Board determines. All Unit Owners shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article V which charges shall be payable in advance on the first day of each month or at such time or

times as the Board of Managers shall subsequently determine. The common charges payable by each Unit Owner will be computed in accordance with his proportionate interest in the Common Elements.

No Unit Owner shall be liable for the payment of any part of the common charges assessed against such Unit Owner's Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VII hereof. 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 other than as permitted by existing law at the time of the foreclosure sale.

Section 10 - Mortgage of Units.

Each Unit Owner shall have the right to mortgage his or her 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 in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional lender to make the mortgage loan.

Section 11 - Exceptions.

The provisions of Section 1 of this Article VII shall not apply with respect to (a) any sale, conveyance or lease by a Unit Owner of his or her Unit and Appurtenant Interests to his or her spouse or to any of his or her children over the age of 18 years or to his parent or parents or to his brothers or sisters, or any one of more of them, or (b) the acquisition, conveyance, sale or lease of a Unit and Appurtenant Interests by the Sponsor, a Sponsor-affiliate or a designee of same, or (c) the acquisition, sale or lease of a Unit, together with the Appurtenant Interests, by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. The Board shall be required to cooperate in providing appropriate physical access to any Unit (and related Common Elements) described in Subdivision "a" and "b" of this Section 11, as well as all financial information regarding same.

ARTICLE VIII. Condemnation

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Board of Managers subject to the provisions set forth below, will represent all Unit Owners and will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws are required to be maintained by the Board. The award made for any such taking shall be payable to the Board of Managers as aforesaid. Such award shall be held by the Board of Managers and shall be disbursed to the contractors engaged in the repair and restoration, if any, of the Common Elements in appropriate progress payments. If the net proceeds of any such award are insufficient to cover or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be will be (a) borne and shared by all Unit Owners with respect to any taking of the general Common Elements pro rata in accordance with their common interests and (b) borne and shared by all Residential Unit Owners with respect to any taking of the residential Limited Common Elements pro rata in accordance with their common interests.

Notwithstanding any provisions contained herein to the contrary, in the event that 75% or more in common interest of all Residential Unit Owners and all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the residential Limited Common Elements or general Common Elements, respectively, such repairs or restorations shall not be made and net proceeds of any such award with respect thereto shall be divided among the Unit Owners in proportion to their respective common interests, after first paying out the shares of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not permitted mortgages. As used in this paragraph, the words "promptly resolved" shall mean not more than sixty (60) days from the date of such taking.

All mortgagees must receive timely notice of any condemnation or casualty loss that affects either a material portion of the condominium

ARTICLE IX. Records

The Board of Managers or the Managing Agent shall keep detailed records of the actions of the Board of Managers, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of common charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid.

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(1) A financial statement of the Condominium prepared by a certified public accountant or public accountant within five months after the end of each fiscal year of the Condominium. The cost of such report shall be paid by the Board of Managers as a common expense. Such statement shall be certified while the Sponsor is in control of the Board of Managers;

(2) At least twenty (20) but not more than thirty (30) days prior notice of the annual Unit Owners' meeting; and

(3) A copy of the proposed annual budget of the Condominium at least thirty days prior to the date set for adoption thereof by the Board of Managers.

ARTICLE X. Arbitration

(a) General Procedure. Any dispute between the Unit Owner and the Board of Managers shall be resolved in Arbitration. Arbitration provided for in these By-Laws shall be conducted before one arbitrator in the City of New York by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding except as provided in subparagraph (c) hereof. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the City of New York before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of Kings. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be a General Common Expense. Any arbitrator appointed or selected in connection with the arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least three members.

(b) Agreement by Parties. The parties to any dispute required or permitted to be subject to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of (a) with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Determination of Disputes".

ARTICLE XI. Miscellaneous

Section 1 - Notices.

All notices hereunder shall be sent by registered, certified mail, overnight mail or personal delivery to the Board of Managers in care of the managing agent or if there is no managing agent, at the office of the Board of Managers or to such other address 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 any Unit Owner shall be delivered to the Unit or sent by registered, certified mail, overnight mail or personal delivery 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 except that notice of meetings sent pursuant to Article III, Section 4 hereof may be sent by regular mail.

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 - Invalidity.

The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3 - Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 4 - Gender.

The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5 - Waiver.

No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6 - Definition of "Mortgagee".

As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage which shall be a lien on a Unit.

ARTICLE XII. Amendments to By-Laws

Any amendments to the By-Laws of a material adverse nature must be agreed to by the mortgagees that represent at least 51% of the votes of units that are subject to mortgages.

Except as hereinafter provided otherwise, these By-Laws may be modified or amended by approval of 66 2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

The following provisions of these By-Laws may not be amended without the consent in writing of the Sponsor or Sponsor-affiliate so long as it shall be the owner of one or more Units.

(a) Section "1" of "Article III" - Insofar as it provides that the Sponsor or Sponsor-affiliate so long as it is the owner of a Unit, shall be entitled to elect members of the Board of Managers, which members need not be Unit Owners.

(b) Section "2" of "Article II" - Insofar as it provides that the, Board of Managers may not exercise certain powers without the Sponsor's or Sponsor-affiliate prior written consent so long as the Sponsor or Sponsor affiliate shall continue to own any Unit.

(c) Section "15" and "16" of "Article II" - Insofar as they provide for representation of the Sponsor or Sponsor-affiliate on the Executive Committee or any other committee created by the Board of Managers so long as it is the owner of one or more Units.

(d) Section “8” of “Article III” - Insofar as it provides that the Sponsor, or Sponsor-affiliate, so long as it is the owner of one or more Units, may vote the votes appurtenant thereto.

(e) Section “14” of “Article V” - Insofar as it provides that the provisions of such Section shall not apply to any Units owned by the Sponsor, Sponsor-affiliate or any designee of the same.

(f) Section “11” of “Article VII” - Insofar as it applies to the Sponsor or a Sponsor-affiliate.

(g) This “Article XII”.

Notwithstanding anything to the contrary herein contained, no provision of these By-Laws may be amended so as to adversely affect the Sponsor, Sponsor-affiliate or any designee of same, without the consent thereof.

ARTICLE XIII. Conflicts

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

SCHEDULE A Rules and Regulations

1. The Residential Condominium Units shall be used for residences.

2. No industry, business, trade, occupation or professional of any kind, commercial, educational of otherwise, designed for profit, altruism, or otherwise shall be conducted, maintained or permitted on any part of the Residential Condominium Units.

3. "For Sale"', "For Rent" or "For Lease" signs or other window displays or advertising are prohibited to be installed, maintained or permitted on any part of the Property without the prior written consent of the Board of Managers which consent may be withheld. Sponsor or Sponsor-affiliate, or their agent, reserve the right to (a) place, "For Sale", "For Rent" or "For Lease" signs on the Building or on any unsold or unoccupied Units, and (b) to erect, lease, manage and maintain commercial and recreational facilities on various portions of the property as permitted by applicable law and regulation, and as contemplated by the Offering Plan, as amended.

4. No Unit shall be used or rented for transient, hotel or motel purposes.

5. The following is the smoking policy of this condominium, which all unit owners, tenants of unit owners and invitees of unit owners and tenants must comply with:

"The 368 & 372 92nd Street Condominium Smoking Policy:

Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units.

Smoking and using electronic cigarettes is permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.

This smoking policy applies to all unit owners, tenants and invitees as well as other persons in the condominium.

The definition of "smoking" is contained in the original Smoke Free Air Act (Title 17, Chapter 5 of the NYC Administrative Code) and is as follows: "Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco". The Code was amended to address electronic cigarettes.

The Board of Managers shall provide a copy of the smoking policy to all unit owners and tenants in the condominium building on an annual basis.

Unit owners that wish to sell their unit shall include the smoking policy in any contract of sale. Any Unit owners that wish to lease their unit shall include the smoking policy in any lease.

The Board of Managers may impose penalties against unit owners (including upon unit owners for violations by tenants of unit owners) of $200 for a first violation of the smoking policy, $500 of for a second violation of the smoking policy in a period of twelve months, and $1,000 for a third and subsequent violations of the smoking policy in a period of twelve months. Penalties for a violation may be imposed upon a unit owner of a condominium unit who fails to provide notices to purchasers or tenants/subtenants."

6. Nothing shall be done or kept in any Unit or the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building, or contents thereof, without prior written consent of the Board

of Managers. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit in the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No Unit Owner or occupant or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Unit Owner's Unit, any Limited Common Element appurtenant thereto, or vestibule, any flammable, combustible or explosive fluid, material, chemical or substance (except gasoline in automobile tanks). No waste shall be committed in the Common Elements or Limited Common Elements.

7. No public hall or public vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner.

8. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction thereof, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit. No such installation shall interfere with reception of the Master-T.V. antenna.

9. Nothing shall be done in any Unit or in, on or to the Common Elements or Limited Common Elements which will impair the structural integrity of the Building or which would structurally change the Building.

10. Nothing shall be altered or constructed in or removed from the Common Elements or Limited Common Elements, except upon the written consent of the Board of Managers.

11. No animals, birds, or reptiles of any kind shall be raised, bred, or kept in any Unit or in the Common Elements or Limited Common Elements, except that dogs, cats or other household pets, not to exceed two per Unit, without the written consent of the Board of Managers, may be kept in 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.

In no event shall any dog be permitted in any portion of the Common Elements unless carried or on a leash, or in any grass or garden plot under any circumstances

12. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements or Limited Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance to the other Unit Owners or occupants.

13. There shall be no obstruction of the Common Elements or Limited Common Elements nor shall anything be stored in the Common Elements or Limited Common Elements without prior written consent to the Board of Managers except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit and Limited Common Elements to which such Unit Owner has exclusive use in accordance with the provisions of the By-Laws.

14. Except in recreational or other areas designated as such by the Board of Managers or in the Declaration, there shall be no playing, lounging, or parking of baby carriages or playpens, bicycles, scooters, rollerblading, wagons, toys, vehicles, benches or chairs, on any part of the Common Elements (except that Limited Common Elements may be used for the intended purposes). Storage by owners in areas designated by the Board of Managers or in the Declaration shall be at their own risk.

15. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out of a Unit or exposed on any part of the Common Elements or Limited Common Elements. The Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials, nor shall any rugs or mops be shaken or hung from or on any of the windows, doors railings, or vestibules, nor shall a Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

16. Each Unit Owner shall keep such Unit Owner's Unit or Limited Common Elements to which such Unit Owner has exclusive use in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain

and keep in good order and repair his own Unit and Limited Common Elements to which such Unit Owner has exclusive use in accordance with the provisions of the By-Laws.

17. The sidewalks, entrances, passages, courts, lobby and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress, from the Units.

18. Each Unit Owner shall be responsible for the cleaning and repair of all windows and window panes forming a part of the respective owner's Unit.

19. The agents of the Board of Managers or the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent, may enter any room or Unit in the Building at any reasonable hour of the day for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests.

20. The Board of Managers, or its designated agent, may retain a pass key to the Unit. No Unit Owner shall alter any lock or install a new lock or a knocker on any door of the Units and storage areas without the written consent of the Board of Managers. In case such consent is given, the Unit Owner shall provide the Board of Managers, or its agent, with an additional key pursuant to its right of access to such premises. If entry is required in an emergency and the key has not been furnished to management as required by these Rules, the managing agent (with authorization from an officer of the Board) may forcibly enter the Unit without liability for damages or trespass, provided that reasonable care is exercised.

21. No window guards, window shades or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Board or managing agent. Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner’s sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers.

22. No window frames or mullions may be removed, altered or replaced without the written consent of the Board.

23. No heat, ventilator, fan or air conditioning device or shall be installed in any Unit without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

24. If any key or keys are entrusted by a Unit Owner or occupant or by his agent, servant, employee, licensee or visitor to an employee of the Board of Managers, whether for such Unit or in an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Board of Managers shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

25. Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board of Managers.

26. No Unit Owner or any visitor, guest, employee or any client or a Unit Owner shall be allowed in the heating, electrical or mechanical equipment areas of the Building without the express permission of the Board of Managers.

27. All damage to the Building or the Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

28. Sinks and Toilets shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags, grease or any other article or substance be thrown into the same. Any damage resulting from misuse of any toilet or sink in a Unit shall be repaired and paid for by the owner of such Unit causing the damage.

29. In order to retain the structural integrity and aesthetic appearance of the Building, no through-the-wall air-conditioning appliances may be installed in any Unit and no radio, television antenna, satellite dish or awning shall be attached to or hung from the exterior of the Building by the Unit Owner without consent of the Board and otherwise in accordance with applicable laws and rules. With the prior written consent of the Board of Mangers, satellite dishes may be installed only on the roof of the Condominium Building and any wires, conduit or piping of any kind, leading from any satellite dish to any Condominium Unit must be concealed and not run on the exterior of the building.

30. Painting of the exterior surface of doors to the individual Condominium Units or any portion of the property outside of the Condominium Unit is prohibited.

31. Corridor and entrance doors to the Building are to be kept locked at all times, except when in actual use for ingress or egress.

32. Complaints regarding the services of the Building shall be in writing to the Board of Managers or the managing agent.

33. No tag sales, tours or exhibition of any Unit or its contents may be conducted without the prior written consent of the Board of Managers.

34. Repairs, alterations or improvement may only be made to a Condominium Unit on weekdays, excluding Saturday and Sunday, between the hours of 9:00 a.m. and 5:00 p.m., unless the Board of Managers grants written permission to perform the work at other times.

35. No Unit Owner shall make or permit any disturbing noises or activity in the Building, to do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Building. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a radio, stereo, c.d. player, d.v.d. player, television, computer or other loud speaker in such Unit Owner's Unit between 11:00 p.m. and the following 7:00 a.m., if the same shall disturb or annoy any other occupants of the Building, unless the same shall have the prior written consent of the Board of Managers.

36. No persons are permitted on the roof without express written permission from the Board of Managers, except that residential Unit Owners may use common roof recreation areas, if any or Unit Owners with roof terraces as Limited Common Element may use such areas.

These Rules and Regulations may be altered or amended by vote of the Board of Managers, as set forth in the By-Laws.

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CERTIFICATIONS

NN. CERTIFICATIONS

NN-1. CERTIFICATION BY SPONSOR AND PRINCIPAL OF SPONSOR

Re: The 368 & 372 92nd Street Condominium, 368 & 372 92nd Street, Brooklyn, New York

We are Sponsor and the principal of 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 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.

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: 368 Dev LLC

By: _____
Joseph Serrano, Member

PRINCIPAL OF SPONSOR:

_____
Joseph Serrano

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on June 23, 2025

_____
Joseph Serrano

By: _____
John Larocca

PRINCIPAL OF SPONSOR:

_____
John Larocca, Member

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on June 23, 2025

_____
John Larocca

NN-2.
OO-2. CERTIFICATION BY ARCHITECT OR ENGINEER PURSUANT TO 13 NYCRR 20.4(C) (1)

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

September 22, 2025

New York State Department of Law
28 Liberty Street, 21st Fl
New York, New York 10005

RE: The 92nd Street Condominium
368 & 372 92nd Street,
Brooklyn, New York

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (hereinafter "the Report"). I examined the building plans and specifications prepared by Design Studio Associates, 527 Court Street, Brooklyn, New York 11231, dated October 3, 2024 and November 29, 2024 and prepared the Report dated September 22, 2025, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon.

I am a Professional Architect licensed in the State in which the property is located.

I understand that I am 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 this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and specifications that I examined;

(ii) in my/our professional opinion affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Paul Lombardi, R.A.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on September 22, 2025

Paul Lombardi, R.A.

NN-3 CERTIFICATION BY SPONSOR'S EXPERT CONCERNING THE ADEQUACY OF BUDGET

Gary Rosen
LICENSED REAL ESTATE BROKER
216 Lakeville Road
Great Neck, New York 11020
516-437-3400

June 23, 2025

New York State Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005

Re: The 368 & 372 92nd Street Condominium
368 & 372 92nd Street, Brooklyn, New York 11215

The Sponsor of the Condominium Offering Plan for the captioned property retained my firm to prepare Schedule(s) B and B-1, containing projections of income and expenses for the first year of Condominium operation. My experience in this field includes:

I am a licensed real estate broker in the State of New York my license number is 10491207349 and it expires on May 30, 2027. I have managed at least three condominium developments for over five years and I was responsible for the creation of and management of the condominium budgets, payments. My further relevant real estate experience, qualifications and licenses are that I have also developed residential condominium developments, apartments, and commercial real estate. I have a BBA in Banking Finance and Investments and a law degree. I am admitted to practice law in the States of New York, New Jersey, Pennsylvania, Florida and Georgia. I have prepared condominium budgets for more than 25 offering plans based on my aforementioned experiences.

I understand that I am are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

I have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential Buildings.

I certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of Condominium operation.

I certify that the Schedule(s):

(i) sets forth in detail the projected income and expenses for the first year of Condominium operation;

(ii) affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the first year of Condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

(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 the Sponsor. I understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of Condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

Gary Rosen

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on June 23, 2025

Gary Rosen

ESCROW AGREEMENT

OO. ESCROW AGREEMENT

NEW YORK STATE DEPARTMENT OF LAW
ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 2025, by and among _____ ("PURCHASER"), 368 Dev LLC, ("SPONSOR"), as Sponsor of The 368 & 372 92nd Street Condominium offering plan ("Plan") and Sylvester J. Sichenze, Esq. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership interests at the premises located at 368 & 372 92nd Street, Brooklyn, New York, subject to the terms and conditions set forth in the Plan; and

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

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

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of condominium units (the "Purchase Agreement") at TD Bank, located at 8206 5th Avenue, Brooklyn, New York 11209, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Sylvester J. Sylvester Sichenze, Esq., Client Funds Account ("Escrow Account"). The account number is [redacted]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Sylvester J. Sichenze, Esq. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of 7703 5th Avenue, Brooklyn, New York 11209, telephone number 718-680-0400.

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

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

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

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

2.2 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall 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. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

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

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

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

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

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

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

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

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

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

4. RECORDKEEPING.

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

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

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

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

6. RESPONSIBILITIES OF SPONSOR.

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

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

7. TERMINATION OF AGREEMENT.

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

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

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

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

8. SUCCESSORS AND ASSIGNS.

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

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

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

11. SEVERABILITY.

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

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

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

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

ESCROW AGENT:
Sylvester J. Sichenze, Esq.

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

SPONSOR

By: _____
Name: Joseph Serrano
Title: Member

PURCHASER

_____

BY: _____
NAME: _____
TITLE: _____

PP. Form of Condominium Interim Lease

Agreement made this ____ day of _____ between 368 Dev LLC, a New York limited liability company (hereinafter "Sponsor"), and _____ (hereinafter "Purchasers").

WITNESSETH,

WHEREAS, Sponsor is the Sponsor of The 368 & 372 92nd Street Condominium located at 368 & 372 92nd Street, Brooklyn, New York (the "Premises") and;

WHEREAS, Purchasers have executed an Agreement dated _____ for a Condominium Unit at the Premises which will be known as Unit _____ (the "Unit") at the Premises, and;

WHEREAS, Purchasers wish to occupy said Unit prior to the Closing of title;

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

1) Commencing on _____ and terminating as hereinafter specified, Purchaser shall have the right to use and occupy the aforementioned Unit. Prior to commencement of this Interim Lease, the Purchaser shall have a walk-through with the Sponsor and a punchlist will be compiled. The items set forth on the punchlist will be the only items which Sponsor will repair in connection with the Closing, however, Sponsor shall be responsible for warranty items as covered under the Limited Warranty as set forth in the Offering Plan.

2) Purchaser shall pay a fee for use and occupancy of the Unit of $_____per month beginning on the date set forth in ¶1 herein.

It is understood that the use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this Agreement is not governed or subject to any rent regulatory laws.

Upon the execution of this Interim Lease, Purchaser shall deposit the sum of **$**_____ with Sponsor as Security, which sum may be used by Sponsor to repair any damages caused by Purchaser or to be used by Sponsor in the event that Purchaser defaults in any of the terms and conditions hereof.

Purchaser's deposit of **$**_____ shall be applied against the Purchase Price of the Unit at Closing and is subject to forfeiture by Purchaser in the event of his default under the Purchase Agreement. Sponsor is irrevocably authorized to pay the use and occupancy from such deposit as same becomes due.

3) The use and occupancy fee, if any, for the month in which Closing occurs shall be adjusted at Closing. No portion of the use and occupancy fee will be applied to the Purchase Price of the Unit. Any unapplied use and occupancy fee shall be refundable to Purchaser at Closing.

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

5) Purchaser shall pay all utility costs and make any repairs to the Unit for which he would be obligated as owner. Sponsor will not be responsible for ordinary wear and tear to the Unit during the Purchaser's occupancy.

6) Purchaser may not make any alteration to the Unit without Sponsor's written consent.

7) This lease will terminate on the happening of the earlier of the following:
a. Closing of title from Sponsor to Purchaser;
b. Default by Purchaser; or

8) Upon a default by Purchaser, which is not cured within 15 days after notice thereof, Purchaser's right to occupy the

Unit will terminate, and Purchaser must vacate the Unit within 30 days after mailing of Notice to Vacate by the Sponsor. Such notice must be by certified mail, return receipt requested, to the Unit. Purchaser agrees to pay Sponsor $500.00 per day for each day he remains in possession beyond 7 days after mailing of the Notice to Vacate in conformity with this section. Sponsor is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder. Nothing contained herein shall be construed so as to limit Sponsor's ability to have Purchaser evicted from the premises and to pursue any other legal remedy available to Sponsor, nor shall anything herein be construed as a waiver by the Sponsor of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

9) Any default under this Agreement will be a material default under the Purchase Agreement, and any default under the Purchase Agreement will be a material default under this Agreement. Any such default will terminate Purchaser's right to use and occupy, and will also terminate Purchaser's right to Purchase the Unit, and may result in loss of the down payment.

10) This Agreement may not be assigned and may not be changed except by signed written Instrument. This Agreement is the entire agreement between the parties and regards use and occupancy of the Unit pending Closing.

11) As of the date hereof, Purchaser confirms that all work required to be done in or about the Unit has been completed except for the remaining punchlist items, and that in all respects Purchaser agrees to accept the Unit in "as is" condition. As of the date hereof, Purchaser waives any right whatsoever to cancel the Purchase Agreement, except for a material change in the Offering Plan or the Sponsor's failure to deliver insurable title, as required under the Purchase Agreement.

12) Failure of Purchaser to schedule a Closing within 30 days after delivery to Purchaser of notice that Sponsor is prepared to close, shall be deemed a material default both in this Interim Lease and in the Purchase Agreement entitling Sponsor to cancel the Purchase Agreement, retain all sums previously paid, remove Purchaser from the subject Unit and collect the use and occupancy fee set forth in Paragraph 9 above.

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

14) Purchaser and Seller agree that the Closing shall occur within thirty (30) days from the date that the Declaration of Condominium is recorded in the Office of the City Register.

15) This Agreement may be executed by facsimile signature in one or more counterparts, which taken together, shall constitute the original.

16) The use of the masculine gender in this Interim Lease shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

17) The following is the smoking policy of this condominium:

> "The 368 & 372 92nd Street Condominium Smoking Policy:
>
> Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units.
>
> Smoking and using electronic cigarettes is permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.
>
> This smoking policy applies to all unit owners, tenants and invitees as well as other persons in the condominium.
>
> The definition of "smoking" is contained in the original Smoke Free Air Act (Title 17, Chapter 5 of the NYC Administrative Code) and is as follows: "Smoking means

inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco". The Code was amended to address electronic cigarettes.

The Board of Managers shall provide a copy of the smoking policy to all unit owners and tenants in the condominium building on an annual basis.

Unit owners that wish to sell their unit shall include the smoking policy in any contract of sale. Any Unit owners that wish to lease their unit shall include the smoking policy in any lease.

The Board of Manager may impose penalties against unit owners (including upon unit owners for violations by tenants of unit owners) of $200 for a first violation of the smoking policy, $500 of for a second violation of the smoking policy in a period of twelve months, and $1,000 for a third and subsequent violations of the smoking policy in a period of twelve months. Penalties for a violation may be imposed upon a unit owner of a condominium unit who fails to provide notices to purchasers or tenants/subtenants.

A copy of the building's smoking policy will be posted in a prominent location and/or provided to all unit owners and tenants and incorporated into the by-laws or rules of the condominium."

368 DEV LLC
Sponsor

By: _____
_____,
Name: _____
Title: _____,

_____
Purchaser

_____
Purchaser

PUNCHLIST

TO BE COMPLETED PRIOR TO THE EXECUTION OF THE INTERIM LEASE

The following items are to be repaired or corrected by the Sponsor after possession of Purchaser in the Unit:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

This is a complete punchlist of all items claimed by Purchaser necessitating repair or correction in the Unit.

368 DEV LLC **DATED: _____**
Sponsor

By: _____ **_____**
_____, Purchaser

Name: _____

_____
_____, Purchaser